

JAN 25 2010

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HUMAN SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 103F, Hawaii Revised Statutes, is
2 amended by adding a new section to part I to be appropriately
3 designated and to read as follows:

4 "§103F- Medicaid contracts; health care insurance plan
5 contractors; reimbursements to home and community-based case
6 management agencies. (a) In any contract entered into with a
7 medicaid healthcare insurance plan contractor that provides
8 reimbursement to home and community-based case management
9 agencies, the department of human services shall include
10 contract provisions that specify the duties and obligations of
11 the medicaid health care insurance plan contractor to the home
12 and community-based case management agency, as follows:

13 (1) When renewing a policy with a home and community-based
14 case management agency, the medicaid healthcare
15 insurance plan contractor shall not reduce
16 reimbursement rates to the home and community-based
17 case management agency in excess of twenty-five per
18 cent of the reimbursement rates in effect under the



1 expiring policy with the home and community-based case
2 management agency;

3 (2) Paragraph (1) shall not apply if the reduction in
4 reimbursement rates is necessary to ensure the
5 following:

6 (A) The clients' access to, or choice of, a home and
7 community-based case management agency; or

8 (B) The prevention of a substantial and foreseeable
9 risk of harm to clients; and

10 (3) The medicaid healthcare insurance plan contractor
11 shall not entered into, or renew, any policy with a
12 home and community-based case management agency unless
13 the policy contains maximum reimbursement levels for
14 chore services and non-emergency medical
15 transportation.

16 (b) For the purposes of this section, the terms "client"
17 and "home and community-based case management agency" shall have
18 the same meanings ascribed to them under section 346-331."

19 SECTION 2. This Act does not affect rights and duties that
20 matured, penalties that were incurred, and proceedings that were
21 begun before its effective date.

22 SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: *James Bann*



Report Title:

Department of Human Services; Medicaid Contracts

Description:

Requires medicaid contracts between the department of human services and medicaid healthcare insurance plan contractors to contain provisions affecting the reimbursement obligations in the policies between the medicaid healthcare insurance plan contractors and the home and community-based case management agencies. Prohibits reductions of reimbursements of more than 25%.

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