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# 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 ten per cent of  
18 the reimbursement rates in effect under the expiring



1           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 enter into, or renew, any policy with a home  
12           and community-based case management agency unless the  
13           policy contains maximum reimbursement levels for chore  
14           services and non-emergency medical transportation.

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

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

21       SECTION 3. New statutory material is underscored.



**1** SECTION 4. This Act shall take effect on January 1, 2050.



**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 10%. Effective 01/01/2050.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

