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# SENATE CONCURRENT RESOLUTION

REQUESTING THE DEVELOPMENT OF PROPOSED LEGISLATION MANDATING THE  
SIZE AND EXTENT OF A MANAGED CARE PLAN'S SPECIALTY NETWORK.

1           WHEREAS, the Legislature has given broad authority to the  
2 Department of Human Services in section 346-14 of the Hawaii  
3 Revised Statutes to "administer the medical assistance programs  
4 for eligible public welfare and other medically needy  
5 individuals by establishing standards, eligibility, and health  
6 care participation rules, payment methodologies, reimbursement  
7 allowances, systems to monitor recipient and provider compliance  
8 and, and assuring compliance with federal requirements to  
9 maximize federal financial participation"; and

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11           WHEREAS, managed care programs such as "Hawaii QUEST" and  
12 "QUEST Expanded Access" are a type of medical assistance program  
13 developed by the Department of Human Services to provide  
14 Medicaid health care services to clients through their health  
15 plan; and

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17           WHEREAS, there are reports that the two health plans that  
18 the Department of Human Services has awarded contracts to under  
19 the QUEST Expanded Access programs do not have adequate networks  
20 of primary care providers; and

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22           WHEREAS, concerns have arisen that the State lacked  
23 adequate assurances from the two health plans regarding the  
24 ability of the plans to deliver services; and

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26           WHEREAS, these concerns have led to lawsuits in the federal  
27 courts to block the contract awards under the QUEST Expanded  
28 Access programs; and

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30           WHEREAS, it appears that rather than delegating those  
31 functions to the Department of Human Services, the Legislature  
32 needs to directly establish those standards, eligibility  
33 requirements, and health care participation rules, as well as



1 payment methodologies, reimbursement allowances, and systems to  
2 monitor recipient and provider compliance; and  
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4 WHEREAS, a source precedent is the current QUEST request  
5 for proposal (RFP) requirements, a purpose of which is to ensure  
6 that subscribers and enrollees are able to access and receive  
7 health and medical services rendered in a manner providing  
8 continuity of care; and  
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10 WHEREAS, under Hawaii law, the current QUEST RFP  
11 requirements were issued to potential health care service plans  
12 to assure the public that these plans meet certain minimum  
13 standards; now, therefore,  
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15 BE IT RESOLVED by the Senate of the Twenty-fifth  
16 Legislature of the State of Hawaii, Regular Session of 2010, the  
17 House of Representatives concurring, that the Governor is  
18 requested to develop proposed legislation to mandate the size  
19 and extent of a managed care plan's specialty network based upon  
20 the Hawaii QUEST RFP requirements for both QUEST and QUEST  
21 Expanded Access Plans; and  
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23 BE IT FURTHER RESOLVED that the proposed legislation  
24 require managed care plans to certify that they have a  
25 contracted network that at least meets the mandated standards  
26 prior to receiving any contract award for either QUEST or QUEST  
27 Expanded Access to protect beneficiaries and providers of care  
28 from being forced to contract with a managed care plan that does  
29 not meet the standards; and  
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31 BE IT FURTHER RESOLVED that for federally designated  
32 Medically Underserved Areas, access to transportation,  
33 translation, and outreach services be provided in a timely  
34 manner; and that for QUEST Expanded Access additional  
35 requirements for case management agencies, nursing facilities,  
36 and long-term care would be applicable; and  
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38 BE IT FURTHER RESOLVED that the Governor is requested to  
39 direct the participation and assistance of any appropriate  
40 agencies and personnel within the executive branch needed to  
41 develop the proposed legislation; and  
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1 BE IT FURTHER RESOLVED that certified copies of this  
2 Concurrent Resolution be transmitted to the Governor and the  
3 Director of Human Services.  
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