

MAR 10 2010

SENATE 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 to "administer the medical
3 assistance programs for eligible public welfare and other
4 medically needy individuals by establishing standards,
5 eligibility, and health care participation rules, payment
6 methodologies, reimbursement allowances, systems to monitor
7 recipient and provider compliance"; and
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9 WHEREAS, a type of medical assistance program developed by
10 the Department of Human Services are the managed care programs
11 such as "Hawaii QUEST" and "QUEST Expanded Access", in which
12 Medicaid health care services are provided to clients through
13 their health plan; and
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15 WHEREAS, there are reports that the two health plans to
16 whom the Department of Human Services have awarded contracts
17 under the QUEST Expanded Access programs do not have adequate
18 networks of primary care providers; and
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20 WHEREAS, concerns arose that the State lacked adequate
21 assurances from the two health plans that the plans had the
22 ability to deliver services; and
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24 WHEREAS, these concerns have led to lawsuits in the federal
25 courts to block the contract awards under the QUEST Expanded
26 Access programs; and
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28 WHEREAS, it appears that rather than delegating those
29 functions to the Department of Human Services, the Legislature
30 needs to directly establish those standards, eligibility, and
31 health care participation rules, payment methodologies,
32 reimbursement allowances, systems to monitor recipient and
33 provider compliance; and
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1 WHEREAS, a source of precedent is California's Knox-Keene
 2 Health Care Service Plan Act of 1975, as amended, one of whose
 3 purposes is to ensure that subscribers and enrollees are able to
 4 access and receive health and medical services rendered in a
 5 manner providing continuity of care; and

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 7 WHEREAS, under the California legislation, a Knox-Keene
 8 license is issued to health care service plans to assure the
 9 public that these plans meet certain minimum standards; now,
 10 therefore,

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 12 BE IT RESOLVED by the Senate of the Twenty-fifth
 13 Legislature of the State of Hawaii, Regular Session of 2010,
 14 that the Governor is requested to develop proposed legislation
 15 to mandate the size and extent of a managed care plan's
 16 specialty network based upon the California managed care law
 17 known as the "Knox-Keene Health Care Service Plan Act of 1975,
 18 as amended"; and

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 20 BE IT FURTHER RESOLVED that the Governor is requested to
 21 direct the participation and assistance of any appropriate
 22 agencies and personnel within the executive branch needed to
 23 develop the proposed legislation; and

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 25 BE IT FURTHER RESOLVED that certified copies of this
 26 Resolution be transmitted to the Governor and the Director of
 27 Human Services.

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OFFERED BY: John Brown
Will Lyne
Clarence K. McElhinney

