

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEES ON HUMAN SERVICES
AND HEALTH
ON
HOUSE BILL NO. 2469

February 4, 2010

MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF
HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL FOR HAWAII
QUEST

House Bill No. 2469 makes an emergency general fund appropriation of an unspecified amount for FY 10 for the Department of Human Services' Medicaid QUEST program to ensure that QUEST managed care plans continue to receive payments for providing health care services to QUEST participants. The bill states that the Governor has recommended the bill's immediate passage in accordance with Section 9 of Article VII of the Constitution of the State of Hawaii.

We take no position on this bill; however, it should be noted that at this time, the Governor has not recommended the immediate passage of House Bill No. 2469. Article VII, Section 9 of the State Constitution, provides that only the Governor is authorized to designate appropriation bills for immediate passage.



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House Committee on Human Services

The Hon. John M. Mizuno, Chair
The Hon. Tom Brower, Vice Chair

House Committee on Health

The Hon. Ryan I. Yamane, Chair
The Hon. Scott Y. Nishimoto, Vice Chair

Testimony in Support of House Bill 2469

Making an Emergency Appropriation for the Department of Human Services to Address the Budget Shortfall for Hawaii QUEST

Submitted by Beth Giesting, Chief Executive Officer

February 4, 2010 9:00 a.m. Agenda, Room 329

The Hawai'i Primary Care Association strongly supports this measure, which would ultimately ensure that health care is available to patients covered under the QUEST plan. In 2008, 41% of all patients seen at community health centers were covered by QUEST; that represents approximately 21% of the entire QUEST enrollment. The Department of Human Services has announced that they will not be able to pay plans throughout the last quarter of this fiscal year. Delaying payment to plans for three months jeopardizes the ability of plans to pay providers, and for QUEST members to receive health care. We appreciate the economic crisis that the entire state is facing, however people's health should not be one of the priorities that we compromise.

Thank you for this opportunity to testify in support of this measure.



LATE
Testimony

HOUSE COMMITTEE ON HUMAN SERVICES
Rep. John Mizuno, Chair

HOUSE COMMITTEE ON HEALTH
Rep. Ryan Yamane, Chair

Conference Room 329
Feb. 4, 2010 at 9:00 a.m.

Supporting HB 2469.

The Healthcare Association of Hawaii represents its member organizations that span the entire spectrum of health care, including all acute care hospitals, as well as long term care facilities, home care agencies, and hospices. Thank you for this opportunity to testify in support of HB 2469, which makes an emergency appropriation that allows the Department of Human Services (DHS) to meet its contractual obligations to pay health plans that provide health care to Quest enrollees.

Quest is a significant component of Hawaii's safety net because it provides health care to low-income residents who would otherwise not be able to afford it. Under Quest, DHS contracts with health plans to provide health care through a managed care approach. However, DHS is facing a shortfall in its budget that prevents it from paying the Quest health plans.

Funding is available from the Emergency and Budget Reserve Fund, which was created as a temporary supplemental source of funding for the State during times of emergency, economic downturn, or unforeseen reductions in revenues. The specific purposes of the fund include maintaining levels of programs determined to be essential to public health, safety, welfare, and education. Appropriately, this bill makes an appropriation from this fund to pay Quest health plans.

For the foregoing reasons the Healthcare Association supports HB 2469.



LATE
Testimony

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February 4, 2010

To: The Honorable John M. Mizuno
Chair, House Committee on Human Services

The Honorable Ryan I. Yamane
Chair, House Committee on Health

From: 'Ohana Health Plan

Re: House Bill 2469-Making an Emergency Appropriation for the Department of Human Services to Address the Budget Shortfall for Hawai'i QUEST

Hearing: Thursday, February 4, 2010, 9:00 a.m.
Hawai'i State Capitol, Room 329

'Ohana Health Plan is a health plan offered by WellCare Health Insurance of Arizona, Inc. WellCare is a leading provider of managed care services dedicated to government-sponsored health care programs, focusing on Medicaid and Medicare. We operate a variety of health plans for families, children, the aged, blind or disabled as well as prescription drug plans and private fee-for-service plans. Our local team of more than 140 Hawai'i residents have been serving approximately 22,500 low-income, aged, blind, and disabled clients through the QUEST Expanded Access (QExA) program since February 1, 2009.

We appreciate this opportunity to submit our comments in support of House Bill 2469-Making an Emergency Appropriation for the Department of Human Services to Address the Budget Shortfall for Hawai'i QUEST.

'Ohana Health Plan (OHP) is one of the five health care plans contracted under the QUEST program through the Department of Human Services (DHS). As a new plan, operating largely with the support of government funding from the State of Hawai'i, we are deeply concerned about the potential for a three to four month payment deferral. This deferral may significantly impact our ability to pay our contracted providers in a timely manner and could cause a disruption in services to our members, which are low-income, aged, blind and disabled residents of our State.

As a contracted provider of services for the State of Hawai'i, we take our federally mandated responsibility to make covered services available and accessible through a sufficient delivery network very seriously.

OHP deeply appreciates your assistance in helping to secure additional funding into the HMS 401 budget in order to avoid the DHS payment deferral in the first place. We respectfully request that you pass this measure. Thank you for the opportunity to provide testimony in support of House Bill 2469.