

# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

**LAT**  
**Testimon**

February 4, 2010

The Honorable John Mizuno, Chair  
The Honorable Ryan Yamane, Chair  
House Committees on Human Services and Health

**Re: HB 2469 – Making an Emergency Appropriation for the Department of Human Services to Address the Budget Shortfall for Hawaii QUEST**

Dear Chair Mizuno, Chair Yamane and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 2469 which would make an emergency appropriation to the Department of Human Services (DHS) to ensure QUEST plans can continue to provide vital services.

As you are aware, recently DHS stated that due to budgetary shortfalls, they will withhold payments to contracted QUEST plans, beginning in April (potentially March) and extending through June. While we understand the budgetary restrictions the State is facing, DHS' decision significantly impacts a health plan's ability to pay for services. This has caused great concern, not only for the QUEST plans, but for our members and participating providers as well.

We acknowledge that the state is being forced to make extremely difficult decisions when it comes to funding vital services to the residents of Hawaii. However, due to the extremely long amount of time DHS will be withholding payment to participating QUEST plans, we support the emergency appropriation outlined in this measure.

Thank you for the opportunity to testify today.

Sincerely,

A handwritten signature in black ink, appearing to read "JD", with a long horizontal flourish extending to the right.

Jennifer Diesman  
Vice President  
Government Relations