
A BILL FOR AN ACT

RELATING TO HEALTH AND HUMAN SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that it is in the State's
2 best interest to ensure that patients who are waitlisted for
3 long-term care or other types of care receive appropriate
4 medical care in a timely manner by authorizing the department of
5 human services to apply medicaid presumptive eligibility to
6 qualified waitlisted patients. Action based on presumptive
7 eligibility means that the department of human services will
8 make a preliminary, presumptive determination to authorize
9 medical assistance in the interval between an individual's
10 application for assistance and the final medicaid eligibility
11 determination, based on likelihood that the applicant will be
12 determined to be eligible.

13 At any given time, there are about one hundred fifty
14 patients in acute care hospital settings across the State who
15 are waitlisted for long-term care. Waitlisted patients are
16 those who are deemed medically ready for discharge and are no
17 longer in need of acute care services, but who cannot be
18 discharged due to various barriers, such as delays in medicaid



1 eligibility determinations, and therefore must remain in a
2 higher-cost hospital setting. Discharge timeframes for
3 waitlisted patients range from a few days to over one year.
4 This situation lessens the quality of life for patients,
5 presenting an often insurmountable dilemma for providers and
6 patients and causing a serious drain on the financial resources
7 of acute care hospitals, with ripple effects felt throughout
8 other healthcare service sectors.

9 Regulatory and government mandates create barriers in
10 transferring waitlisted patients. One barrier is the delay in
11 completing medicaid eligibility determinations for waitlisted
12 patients. Senate Concurrent Resolution No. 198, adopted in
13 2007, requested the Healthcare Association of Hawaii to conduct
14 a study of patients in acute care hospitals who are waitlisted
15 for long-term care and to propose solutions to the problem. The
16 study's final report to the legislature addressed the critical
17 problem of waitlisted patients and the regulatory barrier of
18 medicaid eligibility determinations, which included several
19 concerns, among them:

20 (1) The amount of time it takes to complete the medicaid
21 eligibility and re-eligibility processes;



1 (2) The amount of time staff within hospitals and nursing
2 facilities spend assisting families with medicaid
3 applications, following up with families to ensure
4 their compliance in submitting the required
5 documentation to support their applications, hand
6 carrying applications to the medicaid eligibility
7 office, and following up with eligibility workers on
8 the status of applications; and

9 (3) Delays in processing applications in a timely manner,
10 resulting in delays in access to care for medicaid
11 beneficiaries.

12 The purpose of this Act is to improve the efficiencies and
13 management of medicaid eligibility determinations by requiring
14 the department of human services to:

15 (1) Provide medicaid presumptive eligibility to patients
16 who have been waitlisted for long-term care;

17 (2) Conduct a study of a computerized medicaid
18 applications system to address inefficiencies and
19 other problems associated with processing medicaid
20 applications; and

21 (3) Submit a series of reports on costs and other issues
22 related to medicaid presumptive eligibility.



1 This Act also makes an appropriation to reimburse certain
2 providers and plans.

3 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§346- Presumptive eligibility for medicaid; waitlisted
7 patients. (a) The department shall presume that a waitlisted
8 patient applying for medicaid is eligible for coverage; provided
9 that the applicant is able to show proof of:

10 (1) An annual income at or below the maximum level allowed
11 under federal law or under a waiver approved for
12 Hawaii under 42 United States Code section 1396n, as
13 applicable;

14 (2) Verification of assets;

15 (3) Confirmation of waitlisted status as certified by a
16 health care provider licensed in Hawaii; and

17 (4) Meeting the level of care requirement for
18 institutional or home- and community-based long-term
19 care as determined by a physician licensed in Hawaii.

20 (b) The department shall notify the applicant and the
21 facility of the presumptive eligibility on the date of receipt
22 of the application. Within ten business days after the



1 applicant's receipt of notification of presumptive eligibility
2 from the department, the applicant shall submit all remaining
3 documents necessary to the department to qualify for medicaid
4 coverage. The department shall notify the applicant of
5 eligibility within five business days of receipt of the
6 completed application for medicaid coverage.

7 (c) Waitlisted patients who are presumptively covered by
8 medicaid shall be eligible for services and shall be processed
9 for coverage under the State's qualifying medicaid program. If
10 the waitlisted patient is later determined to be ineligible for
11 medicaid after receiving services during the period of
12 presumptive eligibility, the department shall disenroll the
13 patient and notify the provider and the plan, if applicable, of
14 disenrollment by facsimile transmission or electronic mail. The
15 department shall provide reimbursement to the provider or the
16 plan for the time during which the waitlisted patient was
17 enrolled."

18 SECTION 3. The department of human services shall conduct
19 a study of a computerized medicaid applications system to
20 address inefficiencies and other problems associated with
21 processing medicaid applications. The department shall submit
22 its findings and recommendations to the legislature no later



1 than twenty days prior to the convening of the regular session
2 of 2013.

3 SECTION 4. The department of human services shall also
4 submit annual reports of its findings and recommendations to the
5 legislature no later than twenty days prior to the convening of
6 the regular sessions of 2013, 2014, 2015, 2016, and 2017,
7 regarding costs and other issues related to medicaid presumptive
8 eligibility.

9 SECTION 5. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2012-2013 to
12 cover the costs of any reimbursements made to providers or plans
13 for services provided during the time waitlisted patients are
14 enrolled but are eventually determined to be ineligible.

15 The sum appropriated shall be expended by the department of
16 human services for the purposes of this Act.

17 SECTION 6. New statutory material is underscored.

18 SECTION 7. This Act shall take effect on July 1, 2013, and
19 shall be repealed on June 30, 2017.



Report Title:

Medicaid Presumptive Eligibility; Appropriation

Description:

Requires the department of human services to temporarily provide medicaid presumptive eligibility to patients who have been waitlisted for long-term care, and to conduct a study of a computerized medicaid applications system. Requires reports to the legislature. Appropriates funds to cover medicaid reimbursements made to providers or plans for waitlisted patients enrolled but found to be ineligible. Effective July 1, 2013, and repealed on June 30, 2017. (SD1)

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