



STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339  
Honolulu, Hawaii 96809-0339

January 30, 2012

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

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1913 - RELATING TO MEDICAID**

Hearing: Monday, January 30, 2012; 8:30 a.m.  
Conference Room 329, State Capitol

**PURPOSE:** The purpose of this bill is to direct the Office of the Auditor to conduct a management and financial audit of the QUEST Expanded Access (QExA) plans and submit its findings to the 2013 Legislature.

**DEPARTMENT'S POSITION:** The Department of Human Services respectfully opposes this bill. As part of the condition for the QExA program, the federal government provides extensive oversight of the program. The QExA plans are required to submit quarterly as well as annual reports regarding program services to the Med-QUEST Division (MQD). MQD, in turn, reviews the reports to ensure the QExA plans are in compliance with contract requirements. The reports are also submitted to the federal Centers for Medicare and Medicaid Services (CMS) who also reviews the reports to ensure program services are being provided as described in 1115 waiver documents.

In addition, the federal government requires that the Department obtain an independent external quality review of all our health plans on an annual basis. Areas that they are required to

review are the same areas specified in the proposed legislation: quality, timeliness, and access to health care services that the health plan furnishes to its enrollees through its network of providers. We will provide you with a copy of the most recent report for all of our health plans.

The External Quality Review Organization further validates information, data and procedures to determine services are being provided as stated in their policies and procedures, are reliable and in accordance with valid data collection methods and analysis, and comply with federal requirements. These reports are public documents and available on our website.

The Department believes that the audit would be duplicative of the current multiple levels of review and an inefficient use of taxpayer funds. If an evaluation were to be conducted because the federal requirements are insufficient, then DHS believes all health plans in QUEST and QExA would need to be evaluated.

Thank you for the opportunity to testify on this bill.

TO : COMMITTEE ON HUMAN SERVICES  
Rep. John M. Mizuno, Chair  
Rep. Jo Jordan, Vice-Chair

FROM: Eldon L. Wegner, Ph.D.  
POLICY ADVISORY BOARD FOR ELDER AFFAIRS (PABEA)

HEARING: 8:30 am Monday January 30 2012  
Conference Room 329, Hawaii State Capitol

SUBJECT: HB 1913 Relating to Medicaid

POSITION: The Policy Advisory Board for Elder Affairs, **supports** HB 1913 which directs the auditor to conduct a management a financial audit of the services provided by Evercare and Ohana Health Plan to Medicaid clients under Quest Expanded Access.

**RATIONALE:**

The Policy Board for Elder Affairs has a statutory obligation to advocate on behalf of the senior citizens of Hawaii. While we advise the Executive Office on Aging, we do not speak on behalf of the Executive Office of Aging.

Since the beginning, there have been many issues with the performance of Evercare and Ohana Health Plan to Medicaid clients under Quest Expanded Access. These complaints from providers as well clients of the program continue, even though there has been time to address the start-up issues of a new program.

Therefore, we believe a thorough audit and evaluation such as called for in this bill is in order at this time.

Thank you for allowing me to testify on this bill.



**HPCA**

HAWAII PRIMARY CARE ASSOCIATION

**House Committee on Human Services**

The Hon. John Mizuno, Chair

The Hon. Jo Jordan, Vice Chair

**Testimony in Support of House Bill 1913**

**Relating to Medicaid**

**Submitted by Robert Hirokawa, Chief Executive Officer**

**January 30, 2012 8:30 a.m., Room 329**

The Hawai'i Primary Care Association supports House Bill 1913, Relating to Medicaid, which directs the state auditor to conduct a management and financial audit of Evercare and Ohana Health Plans as they provide Medicaid coverage services under the Department of Human Services QUEST Expanded Access Program. Such an audit will include determining the quality and efficiency of services provided, client access to services, client billing practices and the financial soundness of Evercare and Ohana's respective parent companies.

The Medicaid program represents the largest source of federal revenues for Hawaii state government, a number that totaled \$1.3 billion dollars in 2009 and grew to nearly \$1.9 billion in 2010. In total, the program represents more than 270,000 patients across the state and accounts for 48% of patients served in community health centers.

As such, it is imperative that the state provides fair and balanced oversight to those plans chosen to receive Medicaid dollars. Auditing quality and efficiency metrics ensures that the state maximizes federal funds received and monitoring access and billing practices enables patients to continue receiving the care they need in a timely manner.

We urge you to pass this measure out of committee and thank you for the opportunity to testify.



To: Chair Mizuno  
Vice Chair Jordan  
Members of the Committee on Human Services

Fr: Nanci Kreidman, M.A.

RE: HB 1913

Good morning. Thank you for the Committee's willingness to raise issues of significance impacting the safety of victims and the effectiveness of system response.

There is no doubt that domestic violence occurs in families and love relationships involving police officers-there is no reason to assume these members of our community would be immune from such a widespread and well recognized community problem.

It is our belief that police departments are abundantly aware that domestic violence is in their ranks, and efforts to address crimes by law enforcement it would seem are always under review.

Legislation may not be the most appropriate avenue for working in partnership with police. Dialogue and partnerships with our system allies is key and also a dynamic process. We would defer to the system advocacy in place to continue work in the best interests of safe police families and effective law enforcement.

Thank you..

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]  
Sent: Sunday, January 29, 2012 7:33 PM  
To: HUS testimony  
Cc: Brenda.Kosky@gmail.com  
Subject: Testimony for HB1913 on 1/30/2012 8:30:00 AM

Testimony for HUS 1/30/2012 8:30:00 AM HB1913

Conference room: 329  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Brenda Kosky  
Organization: Consumer Family & Youth Alliance  
E-mail: Brenda.Kosky@gmail.com  
Submitted on: 1/29/2012

Comments:

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]  
Sent: Sunday, January 29, 2012 10:50 AM  
To: HUS testimony  
Cc: robertscottwall@yahoo.com  
Subject: Testimony for HB1913 on 1/30/2012 8:30:00 AM

Testimony for HUS 1/30/2012 8:30:00 AM HB1913

Conference room: 329  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Scott Wall  
Organization: Individual  
E-mail: robertscottwall@yahoo.com  
Submitted on: 1/29/2012

Comments: