

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

February 7, 2011

The Honorable John Mizuno, Chair
The Honorable Ryan Yamane, Chair

House Committees on Human Services and Health

Re: HB 561 – Relating to Public Assistance

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 561 which would require QUEST contracted health plans to notify the Department of Human Services (DHS) when members are also found to be receiving coverage under a private plan as well. HMSA supports the intent of this measure.

We understand the financial strain faced by the state and that there is a need to ensure that government-funded health care services are only being provided to those in need. Currently there are instances in which a QUEST member may be able to receive coverage under both a QUEST plan and through private coverage. These eligibility determinations are made by the Med-QUEST division, not contracted plans, and are based on an individual's income and family size. At this time, when HMSA discovers a member who is enrolled both in our QUEST plan and receiving coverage through a private plan, this information is passed on to the Med-QUEST division. We support the language in HB 561 to formalize this process in statute.

We also believe that part of the issue around eligibility is the antiquated eligibility system currently being utilized by Med-QUEST. There is a measure this session which would provide the state funds in order for DHS to receive federal matching funds to update these systems. Once the health insurance Exchange is established in 2014, Med-QUEST will need to be able to communicate with and determine eligibility and subsidy levels for individuals seeking coverage through the Exchange.

We would respectfully request that the Committees see fit to pass HB 561. Thank you for the opportunity to testify.

Sincerely,

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

Jennifer Diesman
Vice President
Government Relations