

SB 2143

Measure Title: RELATING TO MEDICAID.

Report Title: Medicaid Service Providers; Audit

Description: Directs the Auditor to conduct a management and financial audit of the services provided by Evercare and Ohana Health Plan to medicaid clients under QUEST Expanded Access. Requires the Auditor to submit its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days before the convening of the Regular Session of 2013. Effective July 1, 2012.

Companion:

Package: None

Current Referral: HMS, WAM

Introducer(s): CHUN OAKLAND (BR)

NEIL ABERCROMBIE
GOVERNOR



PATRICIA MCMANAMAN
DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 2, 2012

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2143 - RELATING TO MEDICAID**

Hearing: Thursday, February 2, 2012; 1:15 p.m.
Conference Room 016, 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
Sen. Suzanne Chun Oakland, Chair
Sen. Les Ihara, Vice-Chair

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

HEARING: 1: 15 pm Thursday, February 2, 2012
Conference Room 016, Hawaii State Capitol

SUBJECT: SB 2143 Relating to Medicaid

POSITION: The Policy Advisory Board for Elder Affairs **supports** SB 2143, 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 raised regarding the performance of Evercare and Ohana Health Plan to Medicaid clients and to the providers of the services 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.



841 Bishop Street, Suite 725, Honolulu, Hawaii 96813
www.uhcommunityplan.com

Date: February 1, 2012

To: Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
Members of the Committee on Human Services

Fr: Dave Heywood, VP UnitedHealthcare Hawaii

A handwritten signature in black ink that reads 'Dave Heywood'.

Re: SB 2143 – Relating to Medicaid
Hearing February 2, 2012, 1:15pm, CR 016, State Capitol

My name is Dave Heywood and I am the Vice President for UnitedHealthcare in Hawaii. United's offers Medicaid, Medicare and employer group health plans in Hawaii, including 21,000 aged, blind and disabled members in our QExA Plan and 20,000 members in our Medicare Advantage Plans. Our local team includes 156 employees across the four major islands including local care coordination, member and provider service.

We appreciate the opportunity to testify today. We have concerns with SB 2143 and believe that this bill is unnecessary as there already is significant oversight and evaluation of the QExA program by the State of Hawaii as well as oversight and evaluation by CMS.

We acknowledge that there were start-up issues with the QExA program in 2009, but we have worked hard to correct and stabilize the program as well as being responsive to any new issues and concerns from members, providers, Med-QUEST, the Administration, the Legislature and the community. We (and Med-QUEST) continuously monitor a variety of key metrics including provider access, care coordination, call center performance, claims performance, and appeals & grievance process and compliance.

The QExA program is evaluated and monitored continuously through both formal and informal process. This includes, for example, periodic regulatory reporting to Med-QUEST, annual External Quality Review Organization evaluation, and HEDIS reports. We also meet periodically with Med-QUEST, provider associations (e.g. HAH and HLTC), and Legislative Informational Hearings on QExA/Medicaid.

We appreciate this opportunity to testify today and ask that this Committee seriously consider the real need for this measure and associated expenditure of scarce funds given the current and extensive oversight, evaluation and on-going monitoring of the QExA health plans.

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, January 29, 2012 7:57 PM
To: HMS Testimony
Cc: Brenda.Kosky@gmail.com
Subject: Testimony for SB2143 on 2/2/2012 1:15:00 PM

Testimony for HMS 2/2/2012 1:15:00 PM SB2143

Conference room: 016
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:

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, January 29, 2012 12:35 PM
To: HMS Testimony
Cc: robertscottwall@yahoo.com
Subject: Testimony for SB2143 on 2/2/2012 1:15:00 PM

Testimony for HMS 2/2/2012 1:15:00 PM SB2143

Conference room: 016
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: