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## HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONDUCT A STUDY  
ON THE STATE MEDICAID PROGRAM'S COMPLIANCE WITH THE PATIENT  
PROTECTION AND AFFORDABLE CARE ACT.

1           WHEREAS, the Legislature finds that fraud, abuse of  
2 systems, and waste cost state Medicaid programs a combined  
3 estimate of \$18,000,000 per year; and  
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5           WHEREAS, the Center for Program Integrity within the  
6 Centers for Medicare and Medicaid Services reports that fraud,  
7 abuse of systems, and waste can be significantly attributed to  
8 medical coding errors, the provision of unnecessary medical  
9 services, improper billing practices, and deceptive billing; and  
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11           WHEREAS, the United States Government Accountability Office  
12 study, "Medicare and Medicaid Fraud, Waste, and Abuse," dated  
13 March 9, 2011, indicated that fraud, abuse of systems, and waste  
14 put all social service programs, including Medicare and  
15 Medicaid, at risk; and  
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17           WHEREAS, in designating Medicare and Medicaid as "high-  
18 risk" programs, the United States Government Accountability  
19 Office stressed the need to implement strategies to reduce  
20 fraud, abuse of systems, and waste, as well as reduce improper  
21 payments; and  
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23           WHEREAS, the State of Hawaii's Medicaid enrollment reached  
24 approximately 290,496 members by the end of fiscal year 2012 and  
25 its Med-Quest enrollment has increased more than 35 percent  
26 since 2008; and  
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28           WHEREAS, the State of Hawaii has current contracts with  
29 managed care health plans to provide coverage for its Medicaid  
30 populations, including both Quest and Quest Expanded enrollees,  
31 with the Department of Human Services providing federally-  
32 mandated accountability and oversight pursuant to the Federal  
33 Balanced Budget Act of 1997; and



1           WHEREAS, the Legislature recognizes that the problems of  
2 fraud, abuse of systems, and waste within Medicaid programs have  
3 led to higher costs for Medicaid programs throughout the  
4 country; and

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6           WHEREAS, the Patient Protection and Affordable Care Act of  
7 2010 requires the states to submit plans detailing proposed  
8 methods to increase post-payment reviews aimed at identifying  
9 payment errors and recouping overpayments; and

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11           WHEREAS, Medicaid program integrity within managed care  
12 health plans and other programs is of vital importance to the  
13 State of Hawaii; and

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15           WHEREAS, transparency would be increased and areas of  
16 weakness more easily identified within the State of Hawaii's  
17 Medicaid programs if the Department of Human Services provided a  
18 report on Medicaid compliance with the Patient Protection and  
19 Affordable Care Act of 2010; now, therefore,

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21           BE IT RESOLVED by the House of Representatives of the  
22 Twenty-seventh Legislature of the State of Hawaii, Regular  
23 Session of 2013, that the Department of Human Services is  
24 requested to conduct a study on the State Medicaid program's  
25 compliance with the Patient Protection and Affordable Care Act  
26 of 2010, including a timeline for compliance for fiscal years  
27 2012-2013, 2013-2014, and 2014-2015; and

28  
29           BE IT FURTHER RESOLVED that the Department of Human  
30 Services submit a comprehensive report to the Legislature of its  
31 findings and recommendations including any proposed legislation  
32 no later than 20 days prior to the convening of the Regular  
33 Sessions of 2014, 2015, 2016, and 2017; and

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35           BE IT FURTHER RESOLVED that a certified copy of this  
36 Resolution be transmitted to the Director of Human Services.



OFFERED BY:

GS

John A. Pucetti  
Thomas

Bill Kogashi

Tom

Joe R. Orr  
Mike Cannon

MAR 13 2013

