

MAR 11 2016

SENATE CONCURRENT RESOLUTION

REQUESTING THE INSURANCE DIVISION OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONDUCT A SURVEY OF THE MEDICAL PROFESSIONAL COMMUNITY TO DETERMINE THE EXTENT OF THE DEVELOPMENT OF ACCOUNTABLE CARE ORGANIZATIONS AND DIRECT PRIMARY CARE OR "CONCIERGE MEDICINE" WITHIN THE COMMUNITY AND THE IMPACT OF THESE BUSINESS ARRANGEMENTS ON THE ABILITY OF PATIENTS TO ACCESS PRIMARY CARE SERVICES IN THE STATE.

1 WHEREAS, the health care industry, nationally and
2 statewide, is undergoing tremendous reform and changes prompted
3 by the passage of the federal Patient Protection and Affordable
4 Care Act; and

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6 WHEREAS, the development of accountable care organizations,
7 which are composed of doctors, hospitals, and other health care
8 providers, are included in these reforms and changes; and

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10 WHEREAS, accountable care organizations are formed to
11 provide coordinated, high quality primary care to patients while
12 avoiding unnecessary duplication of services and preventing
13 unnecessary hospitalizations; and

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15 WHEREAS, the development of direct primary care or
16 "conciERGE medicine," which is the practice of financing direct
17 primary care through direct payments by consumers, usually in
18 the form of monthly fees, and the billing of patient health
19 insurance plans, has also grown nationally and in this State;
20 and

21
22 WHEREAS, currently, 238,000 Hawaii residents, constituting
23 18.7 per cent of Hawaii's total population, are aged sixty or
24 older, and by 2030, this age group is projected to constitute



1 more than one-fourth, or 27.4 per cent, of the State's
2 population; and

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4 WHEREAS, while Hawaii's population is expected to increase
5 by 21 per cent between 2000 and 2030, the number of people sixty
6 years or older is expected to increase by 93.8 per cent and the
7 number of people eighty-five years or older is expected to
8 increase by 174.7 per cent during the same period; and

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10 WHEREAS, the large aging population is having, and will
11 continue to have, a major impact on the organization and
12 delivery of health care, with a shift from acute to chronic
13 illnesses, such as heart disease, cancer, stroke, chronic lower
14 respiratory diseases, Alzheimer's disease, and diabetes; and

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16 WHEREAS, Medicare is the national health insurance program
17 that offers coverage for outpatient health care services, such
18 as primary care doctor visits and certain preventative services,
19 for the majority of the population aged sixty-five or older, or
20 younger than age sixty-five with a qualifying disability or
21 illness; and

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23 WHEREAS, as of December 2015, over 338,000 individuals were
24 enrolled in the State's Medicaid program and Children's Health
25 Insurance Program; and

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27 WHEREAS, enrollees of Hawaii's Medicaid program and
28 Children's Health Insurance Program receive access to health and
29 medical services, including critical primary and acute care
30 services, through managed care plans contracted by the State's
31 Med-QUEST Division; and

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33 WHEREAS, the Department of Commerce and Consumer Affairs
34 performs a variety of functions for the benefit of consumers,
35 businesses, and the general population of the State; and

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37 WHEREAS, the department's Insurance Division is responsible
38 for overseeing the insurance industry in the State and ensuring
39 that consumers are provided with insurance services, including
40 services relating to health care, that meet acceptable standards
41 of quality, equity, and dependability at fair rates; and
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1 WHEREAS, the Insurance Division is uniquely positioned to
2 help identify problems and devise improvements to the delivery
3 of health care in the State; now, therefore,

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5 BE IT RESOLVED by the Senate of the Twenty-eighth
6 Legislature of the State of Hawaii, Regular Session of 2016, the
7 House of Representatives concurring, that the Insurance Division
8 of the Department of Commerce and Consumer Affairs is requested
9 to conduct a survey of the medical professional community that
10 identifies the extent to which:

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- 12 (1) Accountable care organizations providing primary care
13 services have developed in this State;
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 - 15 (2) Health care providers, in terms of their numbers and
16 types, are participating in accountable care
17 organizations;
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 - 19 (3) Patients, in terms of their numbers and the type of
20 insurance plan covering them (i.e., private insurance,
21 Medicare, or Medicaid), are being served and provided
22 primary care through accountable care organizations;
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 - 24 (4) Direct primary care, or "concierge medicine," has
25 penetrated the Hawaii healthcare marketplace;
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 - 27 (5) Health care providers, in terms of their numbers and
28 types, are participating in direct primary care, or
29 "concierge medicine," arrangements;
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 - 31 (6) Patients, in terms of their numbers and the type of
32 insurance plan covering them (i.e., private insurance,
33 Medicare, or Medicaid), are being served and provided
34 primary care through direct primary care, or
35 "concierge medicine," practices; and
 - 36
 - 37 (7) Accountable care organizations and direct primary
38 care, or "concierge medicine," have either increased
39 or decreased the access of Medicare or Medicaid
40 patients to primary care services in the State; and
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1 BE IT FURTHER RESOLVED that the Insurance Division is
2 further requested to submit a report of its findings and
3 recommendations, including any proposed legislation, to the
4 Legislature no later than twenty days before the convening of
5 the Regular Session of 2017; and
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7 BE IT FURTHER RESOLVED that a certified copy of this
8 Concurrent Resolution be transmitted to the Director of Commerce
9 and Consumer Affairs and the Insurance Commissioner.
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OFFERED BY: *Randy H. Bob*

