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# A BILL FOR AN ACT

RELATING TO HEALTHCARE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the Department of  
2 Human Services has created an inequitable situation by limiting  
3 the number of QUEST health plans available on the neighbor  
4 islands. The QUEST Integration program should offer Medicaid  
5 beneficiaries a broad range of health care coverage regardless  
6 of the island on which they reside, including choice of managed  
7 care health plans and their contracted provider networks.  
8 Reducing the number of health plans that are available to  
9 Medicaid members residing on the neighbor islands, will further  
10 fragment health care delivery, reduce quality of care, decrease  
11 access to care, increase costs, and adversely affect the  
12 continuity of ongoing health care for these beneficiaries.  
13 The legislature further finds that the Department of Human  
14 Services issued a Request for Proposals (RFP-MQD-2019-002) on  
15 August 26, 2019 "with the intent of securing contracts with four  
16 (4) Health Plans for the provision of covered services to  
17 eligible Medicaid and Children's Health Insurance Program (CHIP)



1 members for medically necessary medical, behavioral health and  
2 long-term services and supports in a fully risk-based managed  
3 care environment." The State, in this request for proposals,  
4 sought to "improve the health care and to enhance and expand  
5 coverage for persons eligible for Medicaid and Children's Health  
6 Insurance Program by the most cost effective and efficient means  
7 through the QUEST Integration program with an emphasis on  
8 prevention and quality health care." However, by limiting the  
9 number of contracts on the neighbor islands to two (2), the RFP  
10 will result in a reduction of coverage and threaten the quality  
11 of health care options for Medicaid beneficiaries. Furthermore,  
12 reducing health plan options will also increase administrative  
13 costs for the Department of Human Services due to the need for  
14 outreach and reassignment of nearly 50,000 Medicaid members to a  
15 new health plan.

16 As a result of limiting the number of contracted health plans on  
17 neighbor islands, some current Medicaid members will be forced  
18 to find new providers which will be nearly impossible given the  
19 physician shortage and will result in negative health outcomes  
20 for these individuals.



1 The legislature finds that the Department of Human Services  
2 should be increasing, rather than reducing, access to health  
3 care for Medicaid members statewide.

4 The purpose of this Act is to:

5 (1) Prohibit the Department of Human Services from  
6 diminishing the choices of neighbor island Medicaid  
7 members by inequitably reducing the number of Medicaid  
8 health care plans and their contracted provider networks  
9 available on the neighbor islands relative to those  
10 available on Oahu.

11 (2) Assure that all Medicaid members shall have the right  
12 to choose among all four Medicaid health plans awarded  
13 contracts in RFP-MQD-2019-002.

14 Section 2. DHS shall make available to all QUEST members  
15 in the state the opportunity to choose from any of the four (4)  
16 health plans awarded contracts through its RFP-MQD-2019-002.

17 Section 3. This Act shall take effect upon its approval.



**Report Title:**

Department of Health and Department of Human Services; Ensure neighbor island residents have access to health plans.

**Description:**

Prohibits the Department of Human Services (DHS) from taking any action to reduce the number of QUEST Integration managed care health plans to which neighbor island residents have access and preserves Medicaid members' right to choose among all four health plans awarded contracts under RFP-MQD-2019-002.

(HB668 HD1 PROPOSED)

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