
A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The legislature finds that medicaid is the
2 cornerstone of health care for the most needy in our population.
3 Furthermore, the legislature has previously recognized that it
4 is in the public interest to ensure that health care payments
5 made with state funds or controlled by the State are sufficient
6 to cover the actual costs of care. However, inadequate payment
7 and reimbursement from medicaid have compromised access to
8 medical care not only for the uninsured and those covered by
9 medicaid but also for individuals who are covered by private
10 employer-based health insurance.

11 As documented in numerous media reports, the inadequacy of
12 medical care services, especially in specialty-care coverage in
13 rural areas and on the neighbor islands, has reached crisis
14 proportions.

15 Hawaii's physicians serving medicaid-eligible persons have
16 been adversely affected by the inadequacy of medicaid
17 reimbursements and payments.



1 The purpose of this Act is to increase the payment for
2 physician services for medicaid-eligible persons, including fee-
3 for-service and QUEST-eligible individuals.

4 SECTION 2. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$_____ or so much
6 thereof as may be necessary for fiscal year 2009-2010 and the
7 same sum or so much thereof that may be necessary for fiscal
8 year 2010-2011 to increase payments for physician services for
9 the care of medicaid-eligible persons, including fee-for-service
10 and QUEST physician services.

11 The sums appropriated shall be expended by the department
12 of human services for the purposes of this Act; provided that:

13 (1) The sums are equitably distributed between medicaid
14 fee-for-service physician services and health plans
15 that provide QUEST physician services so that the
16 health plans can increase the payment for these
17 physician services; and

18 (2) The sums, when added to the amount of reimbursement
19 payable under the medicaid fee schedule, shall in no
20 event exceed ____ per cent of the current medicare fee
21 schedule applicable to Hawaii.



1 SECTION 3. The department of human services shall include
2 in its supplemental budget request for fiscal year 2010-2011 a
3 sum at least equal to the sum appropriated in section 2, in
4 addition to its baseline medicaid request, that will allow for
5 increased moneys to be paid out for physician services for
6 medicaid eligible persons, including fee-for-service and QUEST
7 physician services. The department shall report the amount of
8 the baseline medicaid sum and the additional funds to be paid
9 out for physician services to the legislature no later than
10 twenty days prior to the convening of the regular session of
11 2010.

12 SECTION 4. The department of human services shall report
13 to the legislature no later than twenty days prior to the
14 convening of the regular session of 2010 the amount of funding
15 necessary to:

- 16 (1) Continue the increased payments for physician services
17 up to ____ per cent of the current medicare fee
18 schedule applicable to Hawaii; and
19 (2) Increase payments up to ____ per cent of the current
20 medicare fee schedule applicable to Hawaii to all



1 medicaid fee-for-service and QUEST providers, if
2 approved.

3 SECTION 5. This Act shall take effect on July 1, 2020.



Report Title:

Medicaid Fee Schedule Rate Increase

Description:

Appropriates \$___ for each year of the 2009-2011 fiscal biennium to increase the payments for physician services to medicaid-eligible persons, including fee-for-service and QUEST provider services up to ___ per cent of the current medicare rate. Requires the Department of Human Services (DHS) to report to the Legislature prior to the 2010 Regular Session with (1) the amount of baseline medicaid and additional funds needed for fiscal year 2010-2011, and (2) the amount of funding required to continue increased payments for physician services to medicaid-eligible persons. Requires DHS to seek an appropriation in an amount equal to at least the amount appropriated in 2009-2010 for additional payments for physician services. (HB1284 HD1)

