HOUSE CONCURRENT RESOLUTION

URGING THE EMPLOYER-UNION HEALTH BENEFITS TRUST FUND TO JOIN THE DEPARTMENT OF HUMAN SERVICES QUEST PROGRAM IN IMPLEMENTING A HEALTH INSURANCE PUBLIC PURCHASING POOL.

WHEREAS, the Hawaii Department of Human Services first received approval to implement the QUEST program in July 1993, from the United States Department of Health and Human Services Centers for Medicare and Medicaid Services; and

 WHEREAS, the QUEST program is designed to provide quality care, ensure universal access, encourage efficient utilization, stabilize costs, and transform the way health care is provided to its members; and

WHEREAS, the objectives of Hawaii's 1993 QUEST proposal, as documented to the Centers for Medicare and Medicaid Services, were to streamline health service delivery, contain drug costs, control overutilization of health services, develop standard health benefits packages, and develop health insurance public purchasing pools; and

WHEREAS, the 1993 QUEST proposal called for the phased implementation of various health benefit plans for populations such as: 1) The low-income and needy, 2) the aged, disabled and blind, 3) state employees, and 4) small business associations; and

WHEREAS, the QUEST program implemented the first phase of its 1993 proposal in August 1994 by providing capitated benefit plans, which include medical, dental and behavioral health benefits, to the State's needy and low-income beneficiaries; and

WHEREAS, the QUEST program implemented another phase of its 1993 proposal in February 2009 by providing capitated benefit

H.C.R. NO. 39

plans to aged, disabled and blind beneficiaries through the 1 QUEST Expanded Access demonstration project; and 2 3 4 WHEREAS, the next phase of QUEST calls for the implementation of a public purchasing pool to procure capitated 5 6 benefit plans for other groups, including state employees; and 7 8 WHEREAS, the Employer-Union Health Benefits Trust Fund is experiencing financial difficulties due to the current budget 9 deficit, and a public purchasing pool would promote cost 10 containment and ensure the continuation of affordable health 11 12 benefits to state employees; and 13 14 WHEREAS, the QUEST program is projected to experience an 8.3 percent cost increase in fiscal year 2009-2010, and the 15 Employer-Union Health Benefits Trust Fund is projected to 16 **17** experience a 20 to 26 percent cost increase in fiscal year 2009-18 2010; now, therefore, 19 20 BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session 21 of 2010, the Senate concurring, the Employer-Union Health 22 Benefits Trust Fund is urged to join the Department of Human 23 24 Services QUEST program in implementing a health insurance public 25 purchasing pool; and 26 27 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Employer-Union

Health Benefits Trust Fund, Employer-Union Health Benefits Trust

Fund Board of Directors, and the Hawaii Department of Human

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OFFERED BY:

BY REQUEST

JAN 2 5 2010