S.C.R. NO. <u>64</u>

JAN 2 9 2010

SENATE 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

6 WHEREAS, the QUEST program is designed to provide <u>q</u>uality 7 care, ensure <u>universal</u> access, encourage <u>efficient</u> utilization, 8 <u>s</u>tabilize costs, and <u>t</u>ransform the way health care is provided 9 to its members; and

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11 WHEREAS, the objectives of Hawaii's 1993 QUEST proposal, as 12 documented to the Centers for Medicare and Medicaid Services, 13 were to streamline health service delivery, contain drug costs, 14 control overutilization of health services, develop standard 15 health benefits packages, and develop health insurance public 16 purchasing pools; and

18 WHEREAS, the 1993 QUEST proposal called for the phased 19 implementation of various health benefit plans for populations 20 such as: 1) The low-income and needy, 2) the aged, disabled and 21 blind, 3) state employees, and 4) small business associations; 22 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

30 1993 proposal in February 2009 by providing capitated benefit

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plans to aged, disabled and blind beneficiaries through the 1 2 QUEST Expanded Access demonstration project; and 3 4 WHEREAS, the next phase of QUEST calls for the 5 implementation of a public purchasing pool to procure capitated 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 10 deficit, and a public purchasing pool would promote cost 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 15 8.3 percent cost increase in fiscal year 2009-2010, and the Employer-Union Health Benefits Trust Fund is projected to 16 experience a 20 to 26 percent cost increase in fiscal year 2009-17 18 2010; now, therefore, 19 20 BE IT RESOLVED by the Senate of the Twenty-fifth 21 Legislature of the State of Hawaii, Regular Session of 2010, the 22 House of Representatives concurring, the Employer-Union Health Benefits Trust Fund is urged to join the Department of Human 23 Services QUEST program in implementing a health insurance public 24 purchasing pool; and 25 26 27 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Employer-Union 28 29 Health Benefits Trust Fund, Employer-Union Health Benefits Trust Fund Board of Directors, and the Hawaii Department of Human 30 Services. 31 32 33 OFFERED BY: 34 35 BY REQUEST