STAND. COM. REP. NO.

Honolulu, Hawaii MAR 19 2010

RE: H.B. No. 2085 H.D. 1 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committees on Human Services and Health, to which was referred H.B. No. 2085, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this measure is to help ensure the continuity of care for Hawaii's neediest population by restricting the Department of Human Services from issuing requests for proposals for QUEST health plan contracts:

- (1) With a contract price over \$100,000,000, and
- (2) With a commencement date that is after the expiration of the term of office of the head of the purchasing agency.

Testimony in support of this measure was submitted by Hawaii Medical Service Association, Faith Action for Community Equity, the Waianae Coast Comprehensive Health Center, the Hawai'i Primary Care Association, and AlohaCare. Testimony in opposition to this measure was submitted by the Department of Human Services. Comments on this measure were submitted by Ohana Health Plan. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that that there are a number of changes in the future for both Medicaid and the Department of Human Services, such as federal guideline changes for Medicaid, a



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soon-to-be changing executive branch administration, and the moving of behavioral health clients to the Department of Health. Furthermore, given the current budgetary situation, where numerous state programs are being cut or dramatically scaled back and the Department of Human Services is not only delaying payment to QUEST participating plans but engaged in departmental restructuring, departmental expenditures must be scrutinized. In this regard, the request for proposal process can be costly and time-consuming. In a time of changing circumstances, this measure will provide stability for the State, the providers presently under contract in the QUEST health care plans, and the vulnerable population served by these plans. This measure will also afford the new state executive administration that will take office in 2011, with the opportunity to develop its own priorities and goals regarding the QUEST health plans.

Your Committees have made technical, nonsubstantive stylistic changes for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2085, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2085, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

> Respectfully submitted on behalf of the members of the Committees on Human Services and Health,

Franne ann Cabland

SUZANNE CHUN OAKLAND, Chair



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Human Services HMS

	tee Referral: /нтн , Jс		Date: 3-16-10				
The committee is reconsidering If so, then the previous decision wa		ecision on	this measure.				
The Recommendation is:							
Pass, unamended X Pass, 2312	with amendm 2311	ents	Hold F 2310	Recommit 2313			
Members	Aye	Aye (WR) Nay	Excused			
CHUN OAKLAND, Suzanne (C)							
IHARA, Jr., Les (VC)	V						
GREEN, M.D., Josh							
HEMMINGS, Fred				V			
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TOTAL	3	0	0	31			
Recommendation:							
Chair's or Designee's Signature:	a dhar	\sum					
Distribution: Original Yellow Prink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:* HB 2095, HD	Committee Referral: HMS/HH, J60 3/16/10								
The committee is reconsidering its previous decision on this measure.									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
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GREEN, M.D., Josh (VC)									
BAKER, Rosalyn H.		V							
ESPERO, Will		V							
NISHIHARA, Clarence K.	hanne an	 	To Andle address over the Cart						
HEMMINGS, Fred					1				
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Recommendation:									
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*Only <u>one</u> measure per Record of Votes									