STAND. COM. REP. NO. 2553

Honolulu, Hawaii FEB 2 6 2010

RE:

S.B. No. 2099

S.D. 2

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

## Madam:

Your Committee on Judiciary and Government Operations, to which was referred S.B. No. 2099, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to ensure continuity of care for the OUEST-eligible population in Hawaii and to make certain that Medicaid contracts reflect expectations outlined in national health care reform, by establishing restrictions on the issuance of request for proposals for QUEST contracts.

Specifically, this measure restricts the Department of Human Services from issuing requests for proposals for contracts over \$100,000,000 for the QUEST health plans in the year 2010.

Your Committee finds 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 and a soon-to-be changing executive branch administration. Additional changes also include significant delays in payments to QUEST-contracted medical providers and the shift of behavioral health clients to the Department of Health. Your Committee also finds that issuing a request for proposals for QUEST health plans is inappropriate due to the fluidity of the Department of Human Services at this time as well as the cost considerations for both health care providers and the Department of Human Services. State budget restrictions are being imposed on numerous departments and programs, and issuing a request for proposals would be imprudent at this time.

2010-1343 SSCR SMA-1.doc  Your Committee has made technical, nonsubstantive stylistic changes for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2099, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2099, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Government Operations,

BRIAN T. TANIGUCHI, Chai

## The Senate Twenty-Fifth Legislature State of Hawaii

## Record of Votes Committee on Judiciary and Government Operations JGO

| Bill / Resolution No.:*  SB 2099, SD 1                                                                                     | Committee Referral: Date: HMS/HTH, JGD 2/23/10 |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:           |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| The Recommendation is:                                                                                                     |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313                                                    |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Members                                                                                                                    |                                                | Aye | Aye (WR)             | Nay | Excused                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| TANIGUCHI, Brian T. (C)                                                                                                    |                                                | ~   |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| TAKAMINE, Dwight Y. (VC)                                                                                                   |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| BUNDA, Robert                                                                                                              |                                                |     | or our street street |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GABBARD, Mike                                                                                                              |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| NISHIHARA, Clarence K.                                                                                                     |                                                |     |                      |     | 888 2888 84 wyses 200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| SLOM, Sam                                                                                                                  |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| Recommendation:  Adopted Not Adopted                                                                                       |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Chair's or Designee's Signature:                                                                                           |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy |                                                |     |                      |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

\*Only one measure per Record of Votes