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February 2, 2010

To: The Honorable Ryan I. Yamane
Chair, House Committee on Health

The Honorable John M. Mizuno
Chair, House Committee on Human Services

From: 'Ohana Health Plan

Re: House Bill 2087-Relating to Health

Hearing: Tuesday, February 2, 2010, 10:30 a.m.
Hawai'i State Capitol, Room 329

'Ohana Health Plan (OHP) is a health plan offered by WellCare Health Insurance of Arizona, Inc. WellCare is a leading provider of managed care services dedicated to government-sponsored health care programs, focusing on Medicaid and Medicare. We operate a variety of health plans for families, children, the aged, blind or disabled as well as prescription drug plans and private fee-for-service plans. Our local team of 150 Hawai'i residents have been serving approximately 22,500 low-income, aged, blind, and disabled clients through the QUEST Expanded Access (QExA) program since February 1, 2009.

We appreciate this opportunity to submit our comments in strong support of House Bill 2087-Relating to Health.

'Ohana Health Plan (OHP) is one of the five health care plans contract under the QUEST program through the Department of Human Services (DHS). As a new plan, operating largely with the support of government funding from the State of Hawai'i, we are deeply concerned about the potential for a three to four month payment deferral. This deferral may significantly impact our ability to pay our contracted providers in a timely manner and could cause a disruption in services to our members, which are low-income, aged, blind and disabled residents of our State. As a contracted provider of services for the State of Hawai'i, we take out federally mandated responsibility to make covered services available and accessible through a sufficient delivery network very seriously.

We greatly appreciate this measure that would exempt QUEST plans from paying interest under the clean claims act when delays are due to non-payment by government payers to QUEST plans. This legislation would alleviate us from the additional financial burden of late interest payments, but we remain concerned with the larger issue regarding our ability to compensate our direct service providers in a timely manner, thus ensuring our ability to serve our most vulnerable members' health needs.

We respectfully request that this committee pass this measure as a contingency plan should the DHS choose to move forward with their proposal to defer payment to the health care plans contracted under QUEST. Moreover, we would appreciate your assistance in securing additional funding for the HMS 401 budget in order to avoid the DHS payment deferral option. Thank you for the opportunity to provide these comments regarding House Bill 2087.