MAR 1 4 2012

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO AMEND THE FEDERAL SECTION 1115 WAIVER GRANTED TO HAWAII TO RAISE THE MEDICAID INCOME ELIGIBILITY CEILING TO THREE HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL.

WHEREAS, in 1994, a statewide Medicaid demonstration named Hawaii QUEST Expanded was implemented through a federal section 1115 waiver, and pregnant women, children, and non-disabled adults with incomes of up to three hundred percent of the federal poverty level were made eligible; and

WHEREAS, in 1996, the program made several significant changes that restricted enrollment in the QUEST program, implemented an enrollment cap of one hundred twenty-five thousand people, and established a new safety net program as a component of Hawaii QUEST Expanded called QUEST-Net that would serve those who became ineligible for QUEST due to the more stringent eligibility requirements; and

WHEREAS, in 1998, the State reduced the eligibility for QUEST to those with incomes of up to one hundred percent of the federal poverty level, with pregnant women and children assigned a higher limit; and

WHEREAS, while the QUEST-Net program covered adults with incomes of up to three hundred percent of the federal poverty level, only about two hundred twenty adults were enrolled, and as of February 1, 2008, QUEST-Net became more restrictive by excluding adults with incomes of more than two hundred percent of the federal poverty level; and

WHEREAS, while Hawaii was restricting eligibility, other states were exploring ways to provide health insurance to those uninsured whose incomes were too high to qualify for public programs, yet who did not have access to or could not afford private insurance; and

WHEREAS, New York instituted the nation's highest eligibility ceiling for the State Children's Health Insurance

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33 34 Program by including incomes of up to four hundred percent of the federal poverty level; and

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WHEREAS, families earning over three hundred percent of the federal poverty level are more likely to have access to employer-sponsored health insurance, and as it is not the intent of Hawaii QUEST Expanded to replace employer-provided health coverage, an eligibility ceiling of three hundred percent of the federal poverty level seems reasonable; and

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WHEREAS, inflating health care costs have put individuals, especially children, at severe risk of foregoing medical care, and Hawaii needs to plan, execute, and maintain health insurance expansions to increase the availability and affordability of health care; now, therefore,

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BE IT RESOLVED by the Senate of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2012, that the Department of Human Services is requested to amend the section 1115 waiver granted to Hawaii to raise the Medicaid income eligibility ceiling to three hundred percent of the federal poverty level; and

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BE IT FURTHER RESOLVED that the Department of Human Services report on its progress in amending the section 1115 waiver to the Legislature no later than twenty days prior to the convening of the Regular Session of 2013; and

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BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor, Director of Human Services, and the Hawaii Health Authority.

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OFFERED BY:

Card Johnson

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