
A BILL FOR AN ACT

RELATING TO HEALTHCARE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that it must act to stop
2 the inequity of and discrimination by the department of human
3 services' decision to limit the number of QUEST health plans
4 available on the neighbor islands to only two while allowing
5 Oahu the choice of four QUEST health plans.

6 The legislature further finds that the department of human
7 services issued a request for proposals on or about August 26,
8 2019 (RFP-MQD-2019-002) "with the intent of securing contracts
9 with four (4) Health Plans for the provision of covered services
10 to eligible Medicaid and Children's Health Insurance Program
11 (CHIP) members for medically necessary medical, behavioral
12 health and long-term services and supports in a fully risk-based
13 managed care environment." In this request for proposals, the
14 State sought to "improve the health care and to enhance and
15 expand coverage for persons eligible for Medicaid and Children's
16 Health Insurance Program by the most cost effective and
17 efficient means through the QUEST Integration program with an



1 emphasis on prevention and quality health care." However, by
2 limiting the number of contracts on the neighbor islands to two,
3 compared to four for Oahu residents, the request for proposals
4 may result in a reduction of coverage and threaten the quality
5 of health care options for medicaid beneficiaries. Furthermore,
6 reducing health plan options will also increase administrative
7 costs for the department of human services due to the need for
8 outreach and reassignment of nearly fifty thousand medicaid
9 members to a new health plan.

10 As a result of limiting the number of contracted health
11 plans on neighbor islands, some current medicaid members will be
12 forced to find new providers, which will be nearly impossible
13 given the shortage of physicians and will result in adverse
14 health outcomes for these individuals.

15 The legislature moreover finds that it should review the
16 possibility of adding two health plans for medicaid members who
17 reside on the neighbor islands so that they will have access to
18 the same number of health plans that medicaid members who reside
19 on Oahu do.

20 The legislature further finds that the department of human
21 services should focus on fair access to health care for medicaid



1 members statewide and that limiting health plans for medicaid
2 members on the neighbor islands to only two but providing a
3 choice of four health plans to medicaid members on Oahu is both
4 explicitly and inherently unfair to neighbor island residents.

5 The legislature also finds that a significant collaborative
6 effort by all stakeholders is needed to resolve the issue of
7 inequity and to allow for equal access, equal protection, and
8 parity for all medicaid members, regardless of whether they
9 reside on Oahu or the neighbor islands.

10 Pursuant to section 5-7.5, Hawaii Revised Statutes, the
11 legislature recognizes that the "Aloha Spirit" is the
12 coordination of mind and heart within each person. It brings
13 each person to the self. Each person must think and emote good
14 feelings to others. In the contemplation and presence of the
15 life force, "Aloha", the following unuhi laula loa may be used:

- 16 (1) "Akahai", meaning kindness to be expressed with
17 tenderness;
- 18 (2) "Lokahi", meaning unity, to be expressed with harmony;
- 19 (3) "Oluolu", meaning agreeable, to be expressed with
20 pleasantness;



1 (4) "Haahaa", meaning humility, to be expressed with
2 modesty; and

3 (5) "Ahonui", meaning patience, to be expressed with
4 perseverance.

5 The legislature further recognizes that these are traits of
6 character that express the charm, warmth, and sincerity of
7 Hawaii's people. It was the working philosophy of native
8 Hawaiians and was presented as a gift to the people of Hawaii.
9 "Aloha" is more than a word of greeting or farewell or a
10 salutation. "Aloha" means mutual regard and affection and
11 extends warmth in caring with no obligation in return. "Aloha"
12 is the essence of relationships in which each person is
13 important to every other person for collective existence.
14 "Aloha" means to hear what is not said, to see what cannot be
15 seen, and to know the unknowable.

16 In exercising their power on behalf of the people and in
17 fulfillment of their responsibilities, obligations, and service
18 to the people, the members of the legislature; governor;
19 lieutenant governor; executive officers of each department;
20 chief justice; associate justices; judges of the appellate,
21 circuit, and district courts; chiefs of police of each county;



1 and first responders may contemplate and reside with the life
2 force and give consideration to the "Aloha Spirit" in all
3 decisions affecting the people of Hawaii.

4 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§346- Medicaid plans; reductions; legislative
8 approval. Prior to executing any contract that would reduce the
9 number of medicaid plans available in any part of the State, the
10 department of human services shall receive the approval of the
11 legislature by concurrent resolution by a two-thirds vote of
12 each house of the legislature."

13 SECTION 3. (a) The auditor shall conduct an audit of the
14 department of human services' request for information and
15 request for proposals processes regarding RFP-MQD-2019-002.

16 (b) No later than twenty days prior to the convening of
17 the regular session of 2021, the auditor shall submit to the
18 legislature a report of the auditor's findings and
19 recommendations, including any proposed legislation.



1 SECTION 4. (a) There is established a task force to
2 review the department of human services' request for information
3 and request for proposals processes.

4 (b) The task force shall consist of:

5 (1) The chairperson of the senate standing committee on
6 human services;

7 (2) The chairperson of the senate standing committee on
8 commerce, consumer protection, and health;

9 (3) The chairperson of the house of representatives
10 standing committee on human services and homelessness;
11 and

12 (4) The chairperson of the house of representatives
13 standing committee on health.

14 (c) The legislative reference bureau shall provide support
15 and drafting services to the task force.

16 (d) No later than twenty days prior to the convening of
17 the regular session of 2021, the task force shall submit to the
18 legislature a report of its findings and recommendations,
19 including any proposed legislation, regarding the department of
20 human services' request for information and request for
21 proposals processes.



1 SECTION 5. If any provision of this Act, or the
2 application thereof to any person or circumstance, is held
3 invalid, the invalidity does not affect other provisions or
4 applications of the Act that can be given effect without the
5 invalid provision or application, and to this end the provisions
6 of this Act are severable.

7 SECTION 6. New statutory material is underscored.

8 SECTION 7. This Act shall take effect on July 1, 2050.



Report Title:

Department of Human Services; Medicaid Health Plans; Audit;
Legislative Task Force; Legislative Approval

Description:

Requires DHS to obtain legislative approval prior to reducing the number of medicaid plans available in any part of the State. Requires an audit and legislative task force to review DHS' request for information and request for proposals processes regarding RFP-MQD-2019-002. Effective July 1, 2050. (HD1)

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