

JAN 20 2023

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# A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HUMAN SERVICES.

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

1           SECTION 1. (a) The department of human services shall  
2 designate a new category of services composed of adult day care  
3 and adult day health care for the purposes of medicaid  
4 reimbursement; provided that adult day care and adult day health  
5 care shall not be designated within the same category of  
6 services as care homes and foster care homes for the purposes of  
7 medicaid reimbursement.

8           (b) The department of human services shall establish a  
9 medicaid per diem reimbursement rate for a provider of adult day  
10 care of not less than the social model average daily rate of  
11 \$80; provided that the rate shall not be less than the medical  
12 model average daily rate of \$95 for a provider of adult day  
13 health care. For the purposes of this subsection, a "provider  
14 of adult day care" and "provider of adult day health care" means  
15 an adult day care facility licensed by the department of health  
16 that provides preventive, therapeutic, and rehabilitative  
17 services under professional supervision to meet the needs of



1 functionally impaired adult participants for not more than  
2 twelve hours per calendar day.

3 (c) The department of human services shall establish  
4 standard assessment criteria for medicaid coverage to be used by  
5 all managed care organizations contracted with med-QUEST for  
6 admitting a candidate to adult day care or adult day health  
7 care.

8 SECTION 2. The department of human services shall  
9 prescribe rules, in accordance with chapter 91, that prohibit a  
10 managed care organization contracting with med-QUEST to provide  
11 medicaid benefits from terminating or modifying an existing  
12 provider network contract solely on the basis of a provider's  
13 change of ownership or ownership structure.

14 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:



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**Report Title:**

Adult Day Care; Adult Day Health Care; Categorization; Medicaid; Med-QUEST; Reimbursement; Contracts; Department of Human Services

**Description:**

Requires the Department of Human Services to designate a new category of services composed of adult day care and adult day health care for the purposes of Medicaid reimbursement; establish Medicaid per diem reimbursement rates for providers of adult day care and adult day health care of not less than \$80 and \$95, respectively; establish standard assessment criteria for Medicaid coverage for admitting a candidate to adult day care or adult day health care; and prescribe rules that prohibit managed care organizations contracting with med-QUEST from terminating or modifying an existing provider network contract solely on the basis of a provider's change of ownership or ownership structure.

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