

JAN 23 2025

A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

1 SECTION 1. The legislature finds that current baseline
2 reimbursements in commercial health insurance, medicaid, and
3 medicare plans are low and offer no cost of living increases or
4 overhead reimbursements for physicians. In addition, these
5 plans offer no increase in reimbursement rates to reflect years
6 of experience, as is common in other fields. The legislature
7 recognizes that without adequate reimbursement rates, physicians
8 may struggle to maintain a financially viable practice or may
9 refuse to provide care to patients utilizing those plans
10 altogether.

11 The legislature further finds that many physicians are
12 opting out of private practice. Ten per cent of physicians in
13 Hawaii currently are in private practice. This compares with
14 seventy-five per cent of Hawaii physicians who were in private
15 practice ten years ago.

16 The purpose of this Act is to ensure that primary care
17 physicians who provide services to med-QUEST recipients may



1 continue to serve these recipients without experiencing a loss
2 of revenue.

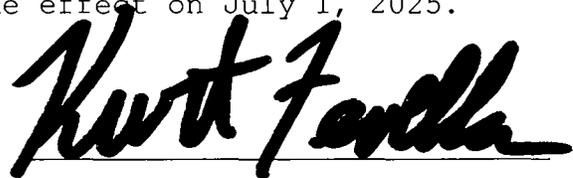
3 SECTION 2. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$20,000,000 or so
5 much thereof as may be necessary for fiscal year 2025-2026 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2026-2027 for direct payment to primary care physicians for
8 services provided to med-QUEST recipients.

9 The sums appropriated shall be expended by the department
10 of human services for the purposes of this Act.

11 SECTION 3. This Act shall take effect on July 1, 2025.

12

INTRODUCED BY:



S.B. NO. 1647

Report Title:

DHS; Med-QUEST; Primary Care Physicians; Direct Payment;
Appropriation

Description:

Appropriates moneys to the Department of Human Services for direct payment to primary care physicians for services provided to Med-QUEST recipients.

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