

MAR 10 2010

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# SENATE CONCURRENT RESOLUTION

REQUESTING THE DEVELOPMENT OF PROPOSED LEGISLATION MANDATING THE  
SIZE AND EXTENT OF A MANAGED CARE PLAN'S SPECIALTY NETWORK.

1           WHEREAS, the Legislature has given broad authority to the  
2 Department of Human Services to "administer the medical  
3 assistance programs for eligible public welfare and other  
4 medically needy individuals by establishing standards,  
5 eligibility, and health care participation rules, payment  
6 methodologies, reimbursement allowances, systems to monitor  
7 recipient and provider compliance"; and  
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9           WHEREAS, a type of medical assistance program developed by  
10 the Department of Human Services are the managed care programs  
11 such as "Hawaii QUEST" and "QUEST Expanded Access", in which  
12 Medicaid health care services are provided to clients through  
13 their health plan; and  
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15           WHEREAS, there are reports that the two health plans to  
16 whom the Department of Human Services have awarded contracts  
17 under the QUEST Expanded Access programs do not have adequate  
18 networks of primary care providers; and  
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20           WHEREAS, concerns arose that the State lacked adequate  
21 assurances from the two health plans that the plans had the  
22 ability to deliver services; and  
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24           WHEREAS, these concerns have led to lawsuits in the federal  
25 courts to block the contract awards under the QUEST Expanded  
26 Access programs; and  
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28           WHEREAS, it appears that rather than delegating those  
29 functions to the Department of Human Services, the Legislature  
30 needs to directly establish those standards, eligibility, and  
31 health care participation rules, payment methodologies,



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1 reimbursement allowances, systems to monitor recipient and  
2 provider compliance; and  
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4 WHEREAS, a source of precedent is California's Knox-Keene  
5 Health Care Service Plan Act of 1975, as amended, one of whose  
6 purposes is to ensure that subscribers and enrollees are able to  
7 access and receive health and medical services rendered in a  
8 manner providing continuity of care; and  
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10 WHEREAS, under the California legislation, a Knox-Keene  
11 license is issued to health care service plans to assure the  
12 public that these plans meet certain minimum standards; now,  
13 therefore,  
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15 BE IT RESOLVED by the Senate of the Twenty-fifth  
16 Legislature of the State of Hawaii, Regular Session of 2010, the  
17 House of Representatives concurring, that the Governor is  
18 requested to develop proposed legislation to mandate the size  
19 and extent of a managed care plan's specialty network based upon  
20 the California managed care law known as the "Knox-Keene Health  
21 Care Service Plan Act of 1975, as amended"; and  
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23 BE IT FURTHER RESOLVED that the Governor is requested to  
24 direct the participation and assistance of any appropriate  
25 agencies and personnel within the executive branch needed to  
26 develop the proposed legislation; and  
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28 BE IT FURTHER RESOLVED that certified copies of this  
29 Concurrent Resolution be transmitted to the Governor and the  
30 Director of Human Services.  
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OFFERED BY: \_\_\_\_\_

*John A. ...*

*Will ...*

*Clarena ...*

