

Honolulu, Hawaii

MAR 24 2011

RE: H.B. No. 561  
H.D. 1  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 561, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require QUEST or QUEST-Net contracted programs to notify the Department of Human Services when QUEST or QUEST-Net enrollees are also covered by private health insurance; and
- (2) Ensure that private insurance is the primary payor of medical claims for persons who have health insurance coverage through QUEST or QUEST-Net programs and a private health insurance plan.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that there are persons who receive health insurance coverage through the State's QUEST or QUEST-Net program that also have private health insurance coverage. Your Committee further finds that providing benefits from a publicly-funded QUEST or QUEST-Net program when a person can



afford private health insurance is contrary to the intent of the QUEST programs and should be prevented. Your Committee recognizes that QUEST providers currently notify the Department of Human Services when they discover that a member also has private insurance and that QUEST is the payor of last resort. Your Committee believes, however, that it is necessary to clearly delineate this protocol in statute.

Your Committee has amended this measure by inserting an effective date of July 1, 2055, to allow for further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 561, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 561, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,

*Suzanne Chun Oakland*

SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:* <i>HB 561, HD 1</i>	Committee Referral: <i>HMS, WAM</i>	Date: <i>3/18/11</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
SLOM, Sam				✓
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes