

MAR 13 2013

SENATE RESOLUTION

REQUESTING THE INSURANCE COMMISSIONER TO CREATE A WORKING GROUP
TO STUDY INSURANCE RECOUPMENT.

1 WHEREAS, Hawaii's health care system consists of a myriad
2 of services that must be coordinated and integrated to ensure
3 access to quality care at the appropriate level for all of
4 Hawaii's residents; and
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6 WHEREAS, an individual often accesses different health care
7 providers delivering different products and services and may
8 transition from one level of health care to another over time;
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11 WHEREAS, it is important to effectively manage patient
12 transition to facilities providing the appropriate level of care
13 to maintain the availability of services at all levels, more
14 accurately address patient needs, and ensure efficient and cost
15 effective service delivery; and
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17 WHEREAS, however, acute care hospitals are facing a
18 financial crisis due to the manner in which Medicaid
19 reimbursements are allocated; and
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21 WHEREAS, Medicaid reimbursements seldom cover the actual
22 cost of provided services, resulting in fiscally weakened health
23 care facilities and instability in the health care system as a
24 whole; and
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26 WHEREAS, in the past, acute care hospitals were able to
27 absorb Medicaid losses using payments from commercial and other
28 payers to offset under-funded Medicaid reimbursements; and
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30 WHEREAS, as the cost of health care has increased, and
31 significant developments in medical technology have required
32 acute care hospitals to increase capital investments, even these
33 payments are no longer enough to bridge the fiscal gap; and
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35 WHEREAS, the result for many of these hospitals is
36 financial failure; now, therefore,



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BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, that the Insurance Commissioner is requested to form a working group to study insurance recoupment; and

BE IT FURTHER RESOLVED that the insurance recoupment working group include the following members:

- (1) Insurance Commissioner, who shall serve as chair;
- (2) Director of Health, or the Director's designee;
- (3) Director of Human Services, or the Director's designee;
- (4) Representatives of the health care provider community;
- (5) Representatives of health care professionals; and
- (6) Consumer stakeholders; and

BE IT FURTHER RESOLVED that the working group is requested to assess the problems of insurance recoupment, if any, study the impact of limiting the period allowed to initiate any recoupment or offset demand efforts, and review how other states mandate recoupment; and

BE IT FURTHER RESOLVED that the working group is requested to report its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Insurance Commissioner, Director of Health, and Director of Human Services.

Rosell Pulea
Michelle Sedani

OFFERED BY:

Erzanne Chun Aalilaa
John M.
Ronald de Paol

S.R. NO. 91

A handwritten signature in black ink, appearing to read "K. S. Srinivasan". The signature is written in a cursive style with a large initial "K" and a long horizontal stroke.