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## HOUSE RESOLUTION

REQUESTING THE INSURANCE DIVISION OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONDUCT A SURVEY OF THE MEDICAL PROFESSIONAL COMMUNITY TO DETERMINE THE EXTENT OF THE DEVELOPMENT OF ACCOUNTABLE CARE ORGANIZATIONS AND DIRECT PRIMARY CARE OR "CONCIERGE MEDICINE" WITHIN THE COMMUNITY AND THE IMPACT OF THESE BUSINESS ARRANGEMENTS ON THE ABILITY OF PATIENTS TO ACCESS PRIMARY CARE SERVICES IN THE STATE.

1           WHEREAS, the health care industry, nationally and  
2 statewide, is undergoing tremendous reform and changes prompted  
3 by the passage of the federal Patient Protection and Affordable  
4 Care Act; and

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6           WHEREAS, the development of accountable care organizations,  
7 which are composed of doctors, hospitals, and other health care  
8 providers, are included in these reforms and changes; and

9  
10          WHEREAS, accountable care organizations are formed to  
11 provide coordinated, high quality primary care to patients while  
12 avoiding unnecessary duplication of services and preventing  
13 unnecessary hospitalizations; and

14  
15          WHEREAS, the development of direct primary care or  
16 "conciERGE medicine," which is the practice of financing direct  
17 primary care through direct payments by consumers, usually in  
18 the form of monthly fees, and the billing of patient health  
19 insurance plans, has also grown nationally and in this State;  
20 and

21  
22          WHEREAS, currently, 238,000 Hawaii residents, constituting  
23 18.7 per cent of Hawaii's total population, are aged sixty or  
24 older, and by 2030, this age group is projected to constitute  
25 more than one-fourth, or 27.4 per cent, of the State's  
26 population; and  
27



1           WHEREAS, while Hawaii's population is expected to increase  
2 by 21 per cent between 2000 and 2030, the number of people sixty  
3 years or older is expected to increase by 93.8 per cent and the  
4 number of people eighty-five years or older is expected to  
5 increase by 174.7 per cent during the same period; and  
6

7           WHEREAS, the large aging population is having, and will  
8 continue to have, a major impact on the organization and  
9 delivery of health care, with a shift from acute to chronic  
10 illnesses, such as heart disease, cancer, stroke, chronic lower  
11 respiratory diseases, Alzheimer's disease, and diabetes; and  
12

13           WHEREAS, Medicare is the national health insurance program  
14 that offers coverage for outpatient health care services, such  
15 as primary care doctor visits and certain preventative services,  
16 for the majority of the population aged sixty-five or older, or  
17 younger than age sixty-five with a qualifying disability or  
18 illness; and  
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20           WHEREAS, as of December 2015, over 338,000 individuals were  
21 enrolled in the State's Medicaid program and Children's Health  
22 Insurance Program; and  
23

24           WHEREAS, enrollees of Hawaii's Medicaid program and  
25 Children's Health Insurance Program receive access to health and  
26 medical services, including critical primary and acute care  
27 services, through managed care plans contracted by the State's  
28 Med-QUEST Division; and  
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30           WHEREAS, the Department of Commerce and Consumer Affairs  
31 performs a variety of functions for the benefit of consumers,  
32 businesses, and the general population of the State; and  
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34           WHEREAS, the department's Insurance Division is responsible  
35 for overseeing the insurance industry in the State and ensuring  
36 that consumers are provided with insurance services, including  
37 services relating to health care, that meet acceptable standards  
38 of quality, equity, and dependability at fair rates; and  
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40           WHEREAS, the Insurance Division is uniquely positioned to  
41 help identify problems and devise improvements to the delivery  
42 of health care in the State; now, therefore,



1  
2 BE IT RESOLVED by the House of Representatives of the  
3 Twenty-eighth Legislature of the State of Hawaii, Regular  
4 Session of 2016, that the Insurance Division of the Department  
5 of Commerce and Consumer Affairs is requested to conduct a  
6 survey of the medical professional community that identifies the  
7 extent to which:

- 8  
9 (1) Accountable care organizations providing primary care  
10 services have developed in this State;  
11  
12 (2) Health care providers, in terms of their numbers and  
13 types, are participating in accountable care  
14 organizations;  
15  
16 (3) Patients, in terms of their numbers and the type of  
17 insurance plan covering them (i.e., private insurance,  
18 Medicare, or Medicaid), are being served and provided  
19 primary care through accountable care organizations;  
20  
21 (4) Direct primary care, or "concierge medicine," has  
22 penetrated the Hawaii healthcare marketplace;  
23  
24 (5) Health care providers, in terms of their numbers and  
25 types, are participating in direct primary care, or  
26 "concierge medicine," arrangements;  
27  
28 (6) Patients, in terms of their numbers and the type of  
29 insurance plan covering them (i.e., private insurance,  
30 Medicare, or Medicaid), are being served and provided  
31 primary care through direct primary care, or  
32 "concierge medicine," practices; and  
33  
34 (7) Accountable care organizations and direct primary  
35 care, or "concierge medicine," have either increased  
36 or decreased the access of Medicare or Medicaid  
37 patients to primary care services in the State; and  
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39 BE IT FURTHER RESOLVED that the Insurance Division is  
40 further requested to submit a report of its findings and  
41 recommendations, including any proposed legislation, to this



1 body no later than twenty days before the convening of the  
2 Regular Session of 2017; and

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4 BE IT FURTHER RESOLVED that a certified copy of this  
5 Resolution be transmitted to the Director of Commerce and  
6 Consumer Affairs and the Insurance Commissioner.

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OFFERED BY:

*[Signature]*  
*Della A. Pelletti*

*SENATOR. P. M.*

*[Signature]*

MAR 11 2016

