

**REPORT TO THE TWENTY-SEVENTH HAWAII STATE  
LEGISLATURE 2014**

**IN ACCORDANCE WITH THE PROVISIONS OF HOUSE  
CONCURRENT RESOLUTION 199, H.D.1, ADOPTED BY THE  
2010 HAWAII STATE LEGISLATURE**

**DEPARTMENT OF HUMAN SERVICES  
MED-QUEST DIVISION  
October 2013**

**REPORT SUBMITTED BY THE DEPARTMENT OF HUMAN SERVICES TO THE 2013 LEGISLATURE PURUSANT TO HOUSE CONCURRENT RESOLUTION (H.C.R .) 199, H.D.1, ADOPTED BY THE 2010 HAWAII STATE LEGISLATURE**

H.C.R. 199, H.D.1, requested that the Department of Human Services report on the aggregate number of recipients receiving benefits under both QUEST and a private health care plan.

On August 30, 2013, there were 293,773 enrollees in the QUEST program. Out of that there were 14,731 recipients receiving QUEST benefits that also had coverage through a private health care plan. This number reflects information reported to the Department by recipients and may not accurately reflect the total number with a private health care plan.

Medicaid is the payer of last resort. Knowing if a Medicaid beneficiary has another health insurance is important so that insurance is billed first as the primary insurance, and Medicaid is billed second as the secondary insurance to pay what the primary insurance didn't cover but is covered by Medicaid.

The 2012 Hawaii Legislature passed Act 95 that, as part of the Department's program integrity efforts, will require all commercial health plans to report their membership information to an independent third party entity that would conduct a match against Hawaii Medicaid recipients beginning in 2014. The matches will be reported back to the State Medicaid agency so the primary insurance is entered into the Med-QUEST Eligibility system to ensure that the Medicaid program is the payer of last resort.

The Department is in the process of issuing a Request For Proposal to procure the independent third party entity that will conduct the matches between commercial insurance plans in Hawaii against the Med-QUEST enrollment files. This will allow the Department to capture information on any other insurance coverage that a recipient may have or had while enrolled with the Hawaii Medicaid program. Ensuring that commercial health care plans are paying for those benefits that they are responsible to cover will help to reduce Medicaid expenditures.