

REPORT TO THE TWENTY-EIGHTH HAWAII STATE  
LEGISLATURE 2015

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 2014

**REPORT SUBMITTED BY THE DEPARTMENT OF HUMAN SERVICES TO THE 2015 LEGISLATURE  
PURSUANT 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 (2010), requests the Department of Human Services to report on the aggregate number of recipients receiving benefits under both Hawaii's Medicaid programs or Med-QUEST and a private health care plan.

On June 30, 2014, there were 325,510 individuals enrolled in the Med-QUEST program. Of those, 15,633 recipients receiving Med-QUEST benefits also had coverage through a private health care plan. However, this number is based upon recipients' self-report to the Department and may not accurately reflect the total number with both Med-QUEST and private health care coverage.

In 2012, to comply with changes in federal law, the Hawaii Legislature passed Act 95 that requires all commercial health insurers operating in Hawaii to share lists of their members with the Department of Human Services as part of the Department's program integrity efforts. Beginning in 2014, to ensure the security and privacy of individuals' health information, Act 95 requires all commercial health plans to provide a report listing its members to an independent third party entity that will match this report against a report provided by the Department listing Med-QUEST recipients. The independent third party entity will then provide the Department with third party liability information so that private plan insurance information is entered into the Med-QUEST Eligibility system as the primary payor to ensure that Hawaii's Medicaid program is the payer of last resort.

As reported last year to the Legislature, the Department issued a Request for Proposal to procure the services of an independent third party entity in compliance with Act 95. The Department will need to re-procure for an independent third party entity as the initial bids came in over the projected budget. The Department anticipates that a contractor will be in place by January, 2015 with matches being conducted on no more than a quarterly basis. Once in place, the Department should be able to capture information on other private insurance coverage that a recipient may have or had while enrolled with the Hawaii Medicaid program.