# Medicaid Advisory Committee (MAC) Meeting

August 20, 2026

# OUR AGENDA FOR TODAY August 20, 2026

1. Med-QUEST Application and Enrollment Numbers
2. MQD Administrator Updates
   - H.R. 1 information and activities
3. Provider Network Adequacy
4. DSNP Alignment Efforts
5. 1115 Demonstration Waiver
6. MQD Quality Strategy
7. State Plan Amendment (SPA) Presentation
8. Next Steps

# Meeting Guidelines

## During the Meeting

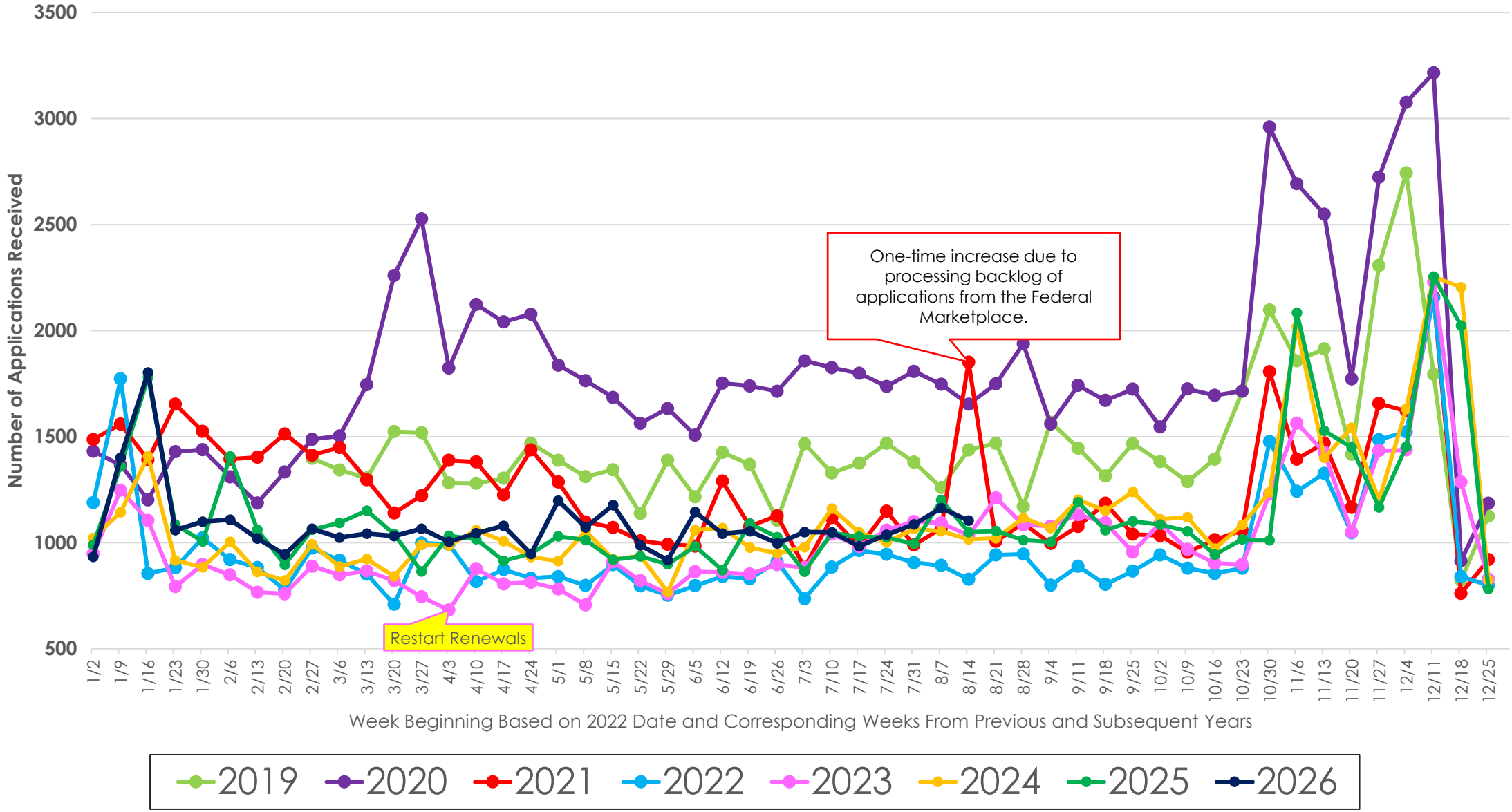
- This meeting is being **recorded** for **minutes** and **posting on MAC website.**
- Please remain **muted** until acknowledged by the host.
- Please raise your **virtual hand** to speak or write your question in the chat.
- When called on, you may share **your name** and **turn on your camera,** if comfortable.

## Questions and Comments

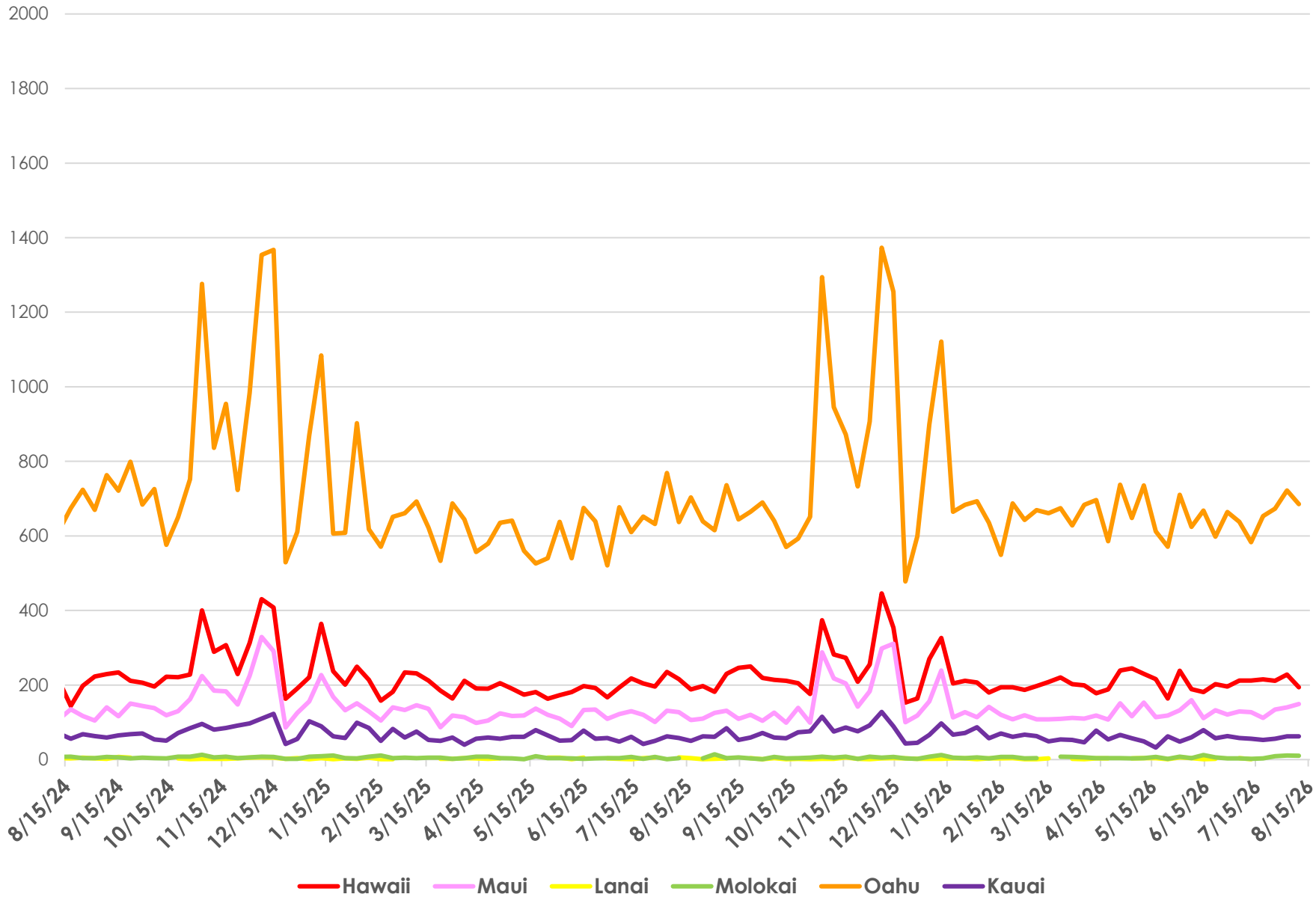
- Members are encouraged to ask questions and share feedback throughout the meeting.
- Questions and comments can also be confidentially submitted after the meeting to MQDMAC@dhs.hawaii.gov

# Med-QUEST Application and Enrollment Numbers

# Hawai'i Medicaid Applications Received:
# March 2020 to March 2023 MQD Received 209,251 Applications
# As of April 2023 - August 15, 2026 MQD has received 193,485 Applications



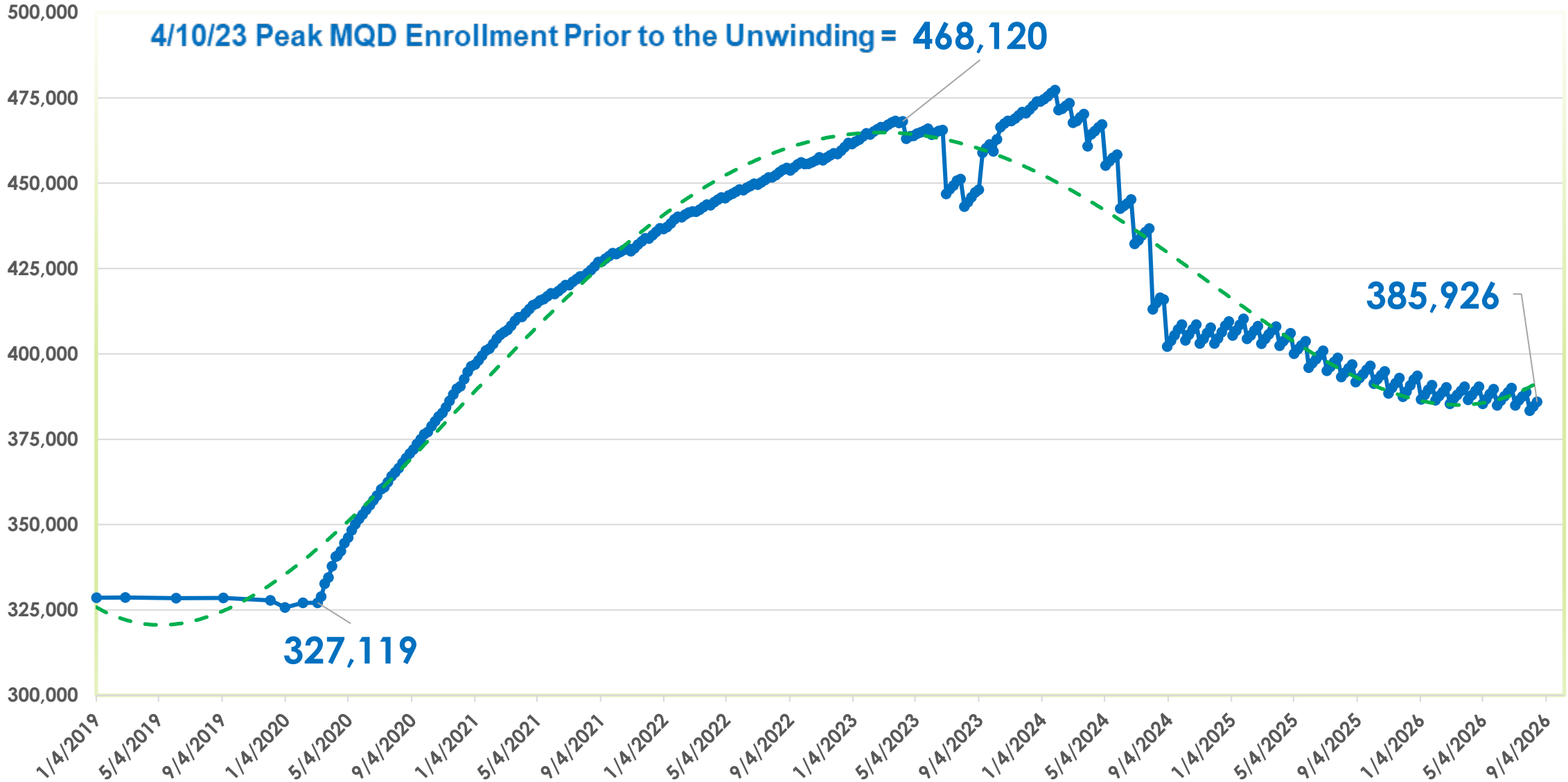
# Applications by Island for past 2 years, 8/15/24- 8/15/26



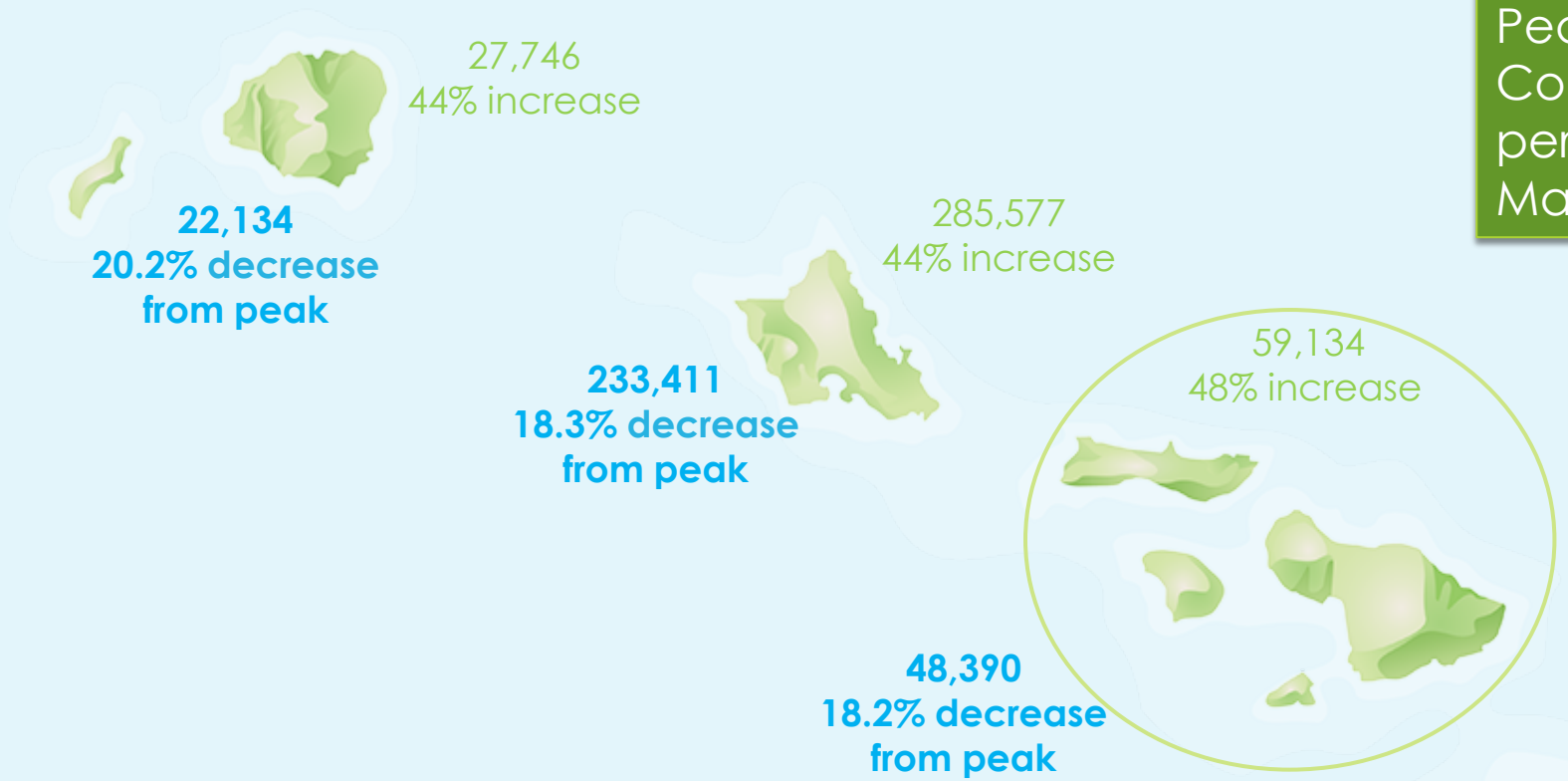
# Hawai‘i Medicaid Monthly Enrollment and Trend: January 2019 to August 17, 2026

141,001 New Enrollments from 3/6/2020 – 4/10/2023 (43% Increase)

82,194 fewer enrollments from 4/10/23 to 8/17/26 (17.5% decrease from peak enrollment prior to unwinding)



Peak Medicaid enrollment by County on April 10, 2023 and percent increase in enrollments from March 6, 2020 – April 10, 2023




| | % pop With Medicaid 2023 | % pop with Medicaid now |
|---|---|---|
| Kauai | 38% | 30% |
| Oahu | 29% | 24% |
| Maui | 37% | 31% |
| Hawaii | 45% | 39% |

Current Medicaid enrollment by County as of August 17, 2026 and percent change from April 10, 2023 peak to present

# MQD Administrator Updates

# H. R. 1 UPDATES

# Hawaii Med-QUEST: by the numbers (August, 2026)

| | |
|---|---|
| Hawaii residents on QUEST | 386,000;<br>28% of Hawaii population |
| Non-disabled adults | 176,000 46% of the QUEST population |
| *Affordable Care Act (ACA) Expansion Adults* | *125,000* |
| *Parents/Caretaker relatives* | *51,000* |
| Children | 154,000<br>Nearly 1 in 2 HI pop<br>39% of the QUEST pop. |
| Aged, Blind, or Disabled (ABD) | 56,000 –<br>15% of the QUEST pop. |
| Base Federal Matching rate FFY 25 | 59.08% |
| Delivery System | 99.9% enrolled in QUEST Integration Health Plans |

ALOHACARE hmsa KAISER PERMANENTE 'ohana health plan UnitedHealthcare Community Plan

# Member Outreach Strategy:







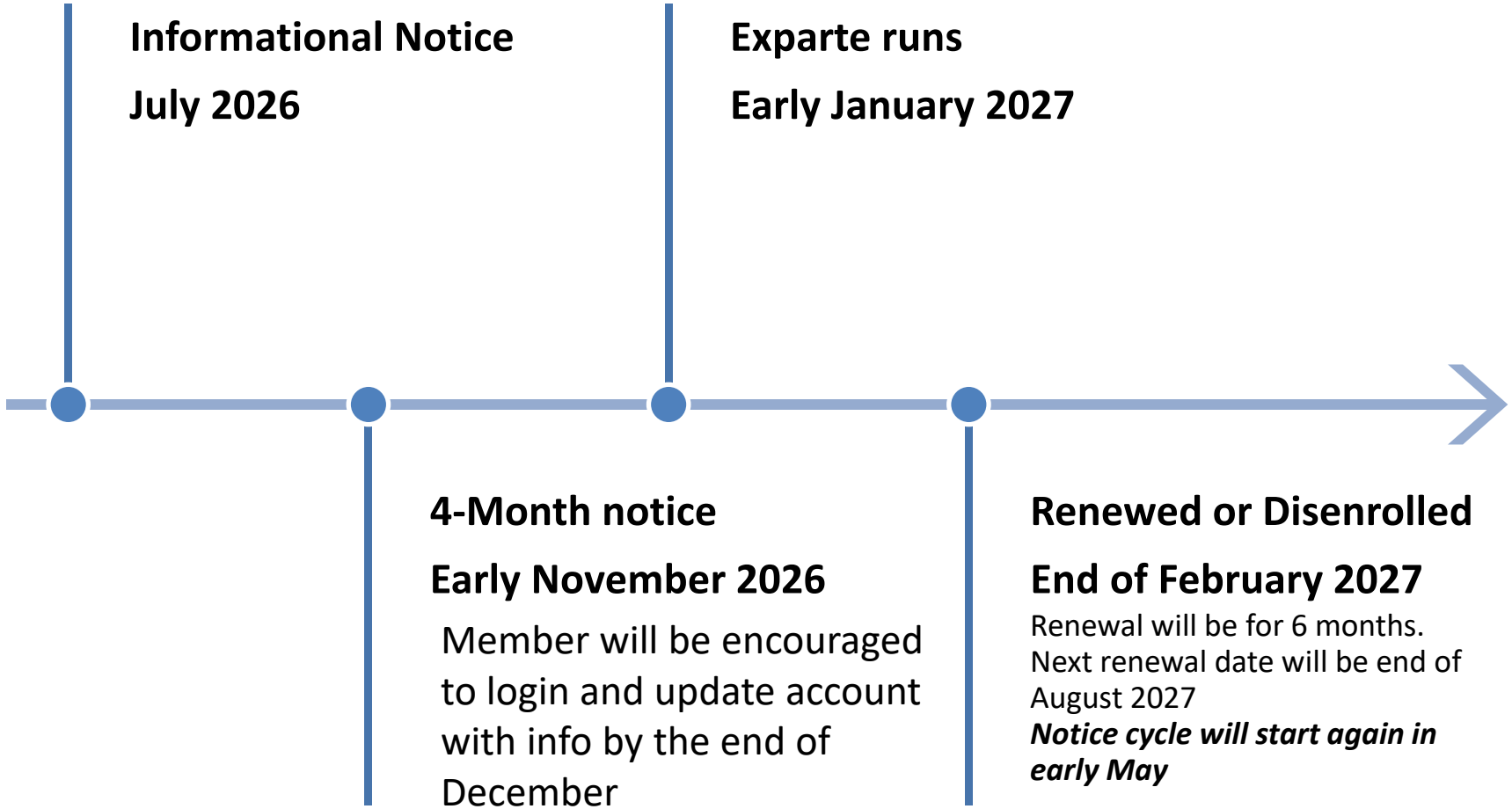



- **Initial notice** was sent at the end of July 2026 to all households with an enrolled family member that is part of the expansion adult group (19-64 year olds)

- **Four month prior to renewal month notice**
  - This will help specific members know that we need documentation or an attestation of how requirements are met or if there is a qualifying exemption to let MQD know about.

- **Exparte** will run the first week of the month before their renewal.
  - Those who can be renewed during exparte will receive a white letter indicating successful renewal
  - Those who cannot be renewed will receive a pink letter requiring further information in order to be renewed

The first members to go through the new HR1 eligibility rules will be those with a February 2027 renewal date



**State of Hawai`i**
**Department of Human Services**
MED-QUEST DIVISION
ELIGIBILITY BRANCH
P.O. Box 3490
Honolulu, HI 96811-3490

# UPCOMING ELIGIBILITY CHANGES FOR 2027

{NoticeSentDate}

**Case Number: XXXXXXXX-01**

{KIESBatchPrintNum}
{FullName}
{PersonalStreetAddress}{PersonalStreetAddress22}
{PersonalCity2}, {PersonalState2} {PersonalPostalCode2}

## NEW FEDERAL REQUIREMENT: H.R.1

Aloha **(Primary Member),**

We understand that dealing with notices can be overwhelming.
We want to make sure you are informed of important changes in the most supportive way!

The federal government passed a **law called H.R.1**, which created **new work/volunteer requirements for most adults between the ages of 19-64 in order to keep Med-QUEST coverage.** These new requirements take effect **January 1, 2027.**

**After this date, members who do not meet these requirements may lose their coverage!**
Some people will not need to meet these requirements because they are **exempt.**
Please see the list of exemptions on the next page.

You are receiving this letter because **you or someone in your household may need to meet these new requirements.**

***You do not need to take any action right now. We will reach out if we need proof from you to verify that you meet the new requirements or an exemption.***

These requirements need to be met in <u>one</u> of the six months before your Med-QUEST renewal. These requirements do not apply until your 2027 renewal. Before your 2027 renewal, you will be notified if we were able to renew your coverage, or if we need more information from you.

### HOW TO MEET NEW REQUIREMENTS:

- **Received household income of $580 or more in at least one month of the previous six months**
  *Seasonal workers may use their average monthly income over six months to meet the requirement.*
  *---OR----*
- **Enrolled at least half time in an educational program**
  *---OR----*
- **Worked or Volunteered at least 80 hours in at least one month of the previous six months**
  The 80 hours can be any combination of the following activities:
  - Working at a job or internship
  - Participating in a job training program (such as Job Corps or Employment & Training Program)
  - Participating less than half time in an education or vocational program
  - Volunteering with an organization that tracks volunteer time (like a non-profit, faith-based, sports, or other community-based organizations)



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### EXEMPT FROM THE WORK REQUIREMENTS AT RENEWAL:

These new work/volunteer requirements **DO NOT** apply to:

- Children (0–18)
- Older Adults (65 and older)
- People on Medicare Part A or Part B
- Pregnant people, including one year after end of pregnancy
- A parent, guardian, or family caregiver of a dependent child who is 13 years of age and under, or a caregiver of a disabled individual
- People with disabilities (this includes physical, intellectual, or developmental disabilities that make it hard to do daily activities)
- Veterans with 100% disability rating
- People with serious health or mental health conditions or substance use problems
- People who were released from jail or prison within the last 90 days
- American Indians or Alaska Natives
- Former foster youth under age 26, who were in foster care on their 18th birthday
- People who meet SNAP/TANF work requirements
- People receiving institutional care in a nursing facility or similar services, like those received in an inpatient hospital
- People who live in an area where a national emergency or disaster is declared
- People who must travel for a serious or complex medical condition to receive care not available to them or a dependent where they live
- People who live in an area with a high unemployment rate
  *(Hawai'i currently has a low unemployment rate and does not qualify for this exemption)*

*(subject to change pending CMS guidance)*

## WHAT CAN I DO NOW?

### CREATE AN ONLINE ACCOUNT:

- Check your Medicaid account online 24/7
- You can report changes, complete your renewal, and upload documents online
- Choose to go paperless
  ***We recommend this!***
  *mybenefits.hawaii.gov*

### ALREADY HAVE AN ACCOUNT?

Great start! If you already have an account, **please log in and make sure your contact information is up to date. Managing your Med-QUEST account online is the best way to give us the information we need to help you keep your health insurance.**

### YOU CAN UPDATE YOUR CASE INFORMATION BY:

- **Visiting us online:** *mybenefits.hawaii.gov*
- **Visiting us in person:** You can visit our Eligibility and Enrollment Service Centers or our Community Partners for help. Please visit these websites for locations and more information:
  - **Med-QUEST:** *medquest.hawaii.gov/contact*
  - **Community Partners:** *medquest.hawaii.gov/community*
- **Contacting us by phone:** Call us at 1-800-316-8005 (TTY: 711 or 1-800-603-1201)



Med-QUEST Division

medquest.hawaii.gov

Text Size Decrease - Increase + Reset Human Services Hawaii.gov

State of Hawai'i Department of Human Services
**Med-QUEST Division**

SEARCH SITE

HOME ABOUT MEMBERS & APPLICANTS PLANS & PROVIDERS RESOURCES FAQ




Med-QUEST Division

# Changes coming to Med-QUEST Eligibility for Adults!

| | |
|---|---|
| When? | Starting on January 1, 2027 |
| Why? | Congress passed the HR1 bill that was signed into law on 7/4/25 requiring Medicaid programs to change eligibility rules for some adults. |
| Who? | These changes only impact adults between 19-64 who are not Blind, Disabled or Pregnant. |
| What? | There are two new requirements that will start in 2027:<br>1. For individuals described above, eligibility renewals will happen every six months instead of once per year<br>2. To keep Med-QUEST coverage, this adult group will need to demonstrate that they are either working or volunteering at least 80 hours per month or earning a minimum of $580 per month or are enrolled at least half-time in an educational program. |
| How? | More details will be available by July 2026. Until then, here are some ways Med-QUEST members can prepare:<br>• Set up online access to your existing Med-QUEST account and mybenefits.hawaii.gov Click here to do it now! It is fast and easy and is the BEST way to ensure Med-QUEST has the information it needs to help you stay enrolled.<br>• If you work, make sure you save your paystubs<br>• If you don't have a paystub, but have proof of $580 income per month, save that evidence of income.<br>• If you are enrolled in an educational program at least half time, ask your school for an official proof of enrollment. |

# H.R.1 Federal Work Requirements

The federal government passed **a law called H.R.1,** which created new work/volunteer requirements **for most adults between the ages of 19-64 in order to keep Med-QUEST coverage.** These new requirements take effect **January 1, 2027.**

**After this date, members who do not meet these requirements may lose their coverage!**

Some people will not need to meet these requirements because they are **exempt.**

Members do not need to take any action right now. We will reach out if we need proof to verify that you meet the new requirements or an exemption.

These requirements need to be met in **one** of the six months before your Med-QUEST renewal. These requirements do not apply until your 2027 renewal. Before your 2027 renewal, you will be notified if we were able to renew your coverage, or if we need more information from you.

# How to Meet New Requirements

- **Received household income of $580 or more in at least one month of the previous six months**

  Seasonal workers may use their average monthly income over six months to meet the requirement.

  -OR-

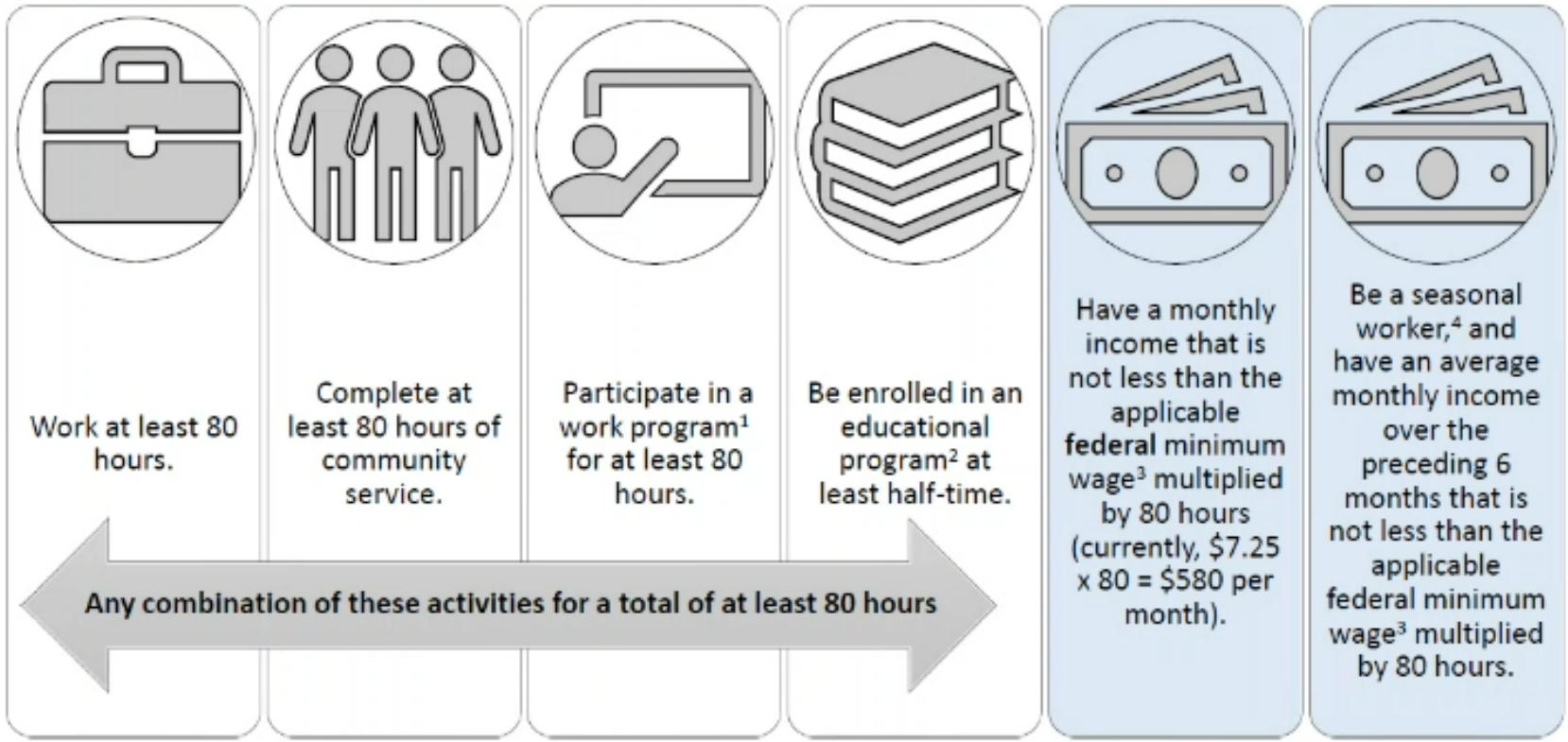
- **Enrolled at least half time in an educational program**

  -OR-

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# Definition of Community Engagement

To meet community engagement requirements in a given month, applicable individuals must do one or more of the following:




Section 1902(xx)(2) of the Act.

1. A work program is defined by section 6(o)(1) of the Food and Nutrition Act of 2008.
2. Including an institution of higher education (as defined in section 101 of the Higher Education Act of 1965) and a program of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006).
3. Federal minimum wage is defined by section 6 of the Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1)(C).
4. A seasonal worker is described in section 45R(d)(5)(B) of the Internal Revenue Code of 1986.

# Exempt from the Work Requirements at Renewal

These new work and volunteer rules **DO NOT** apply to:

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**Already Have an Account?**

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**Managing your Med-QUEST account online is the best way to give us the information we need to help you keep your health insurance.**

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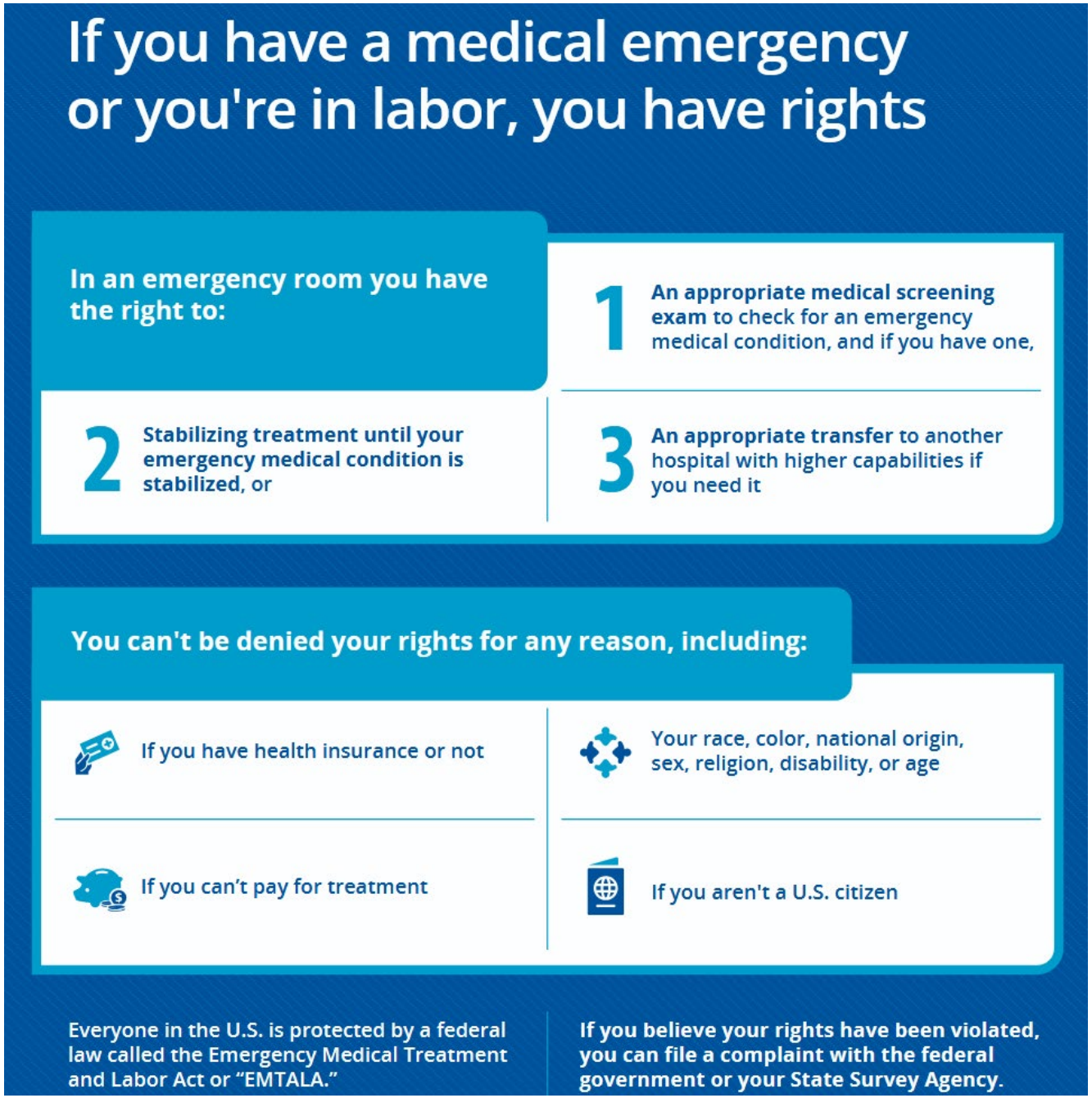
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  o Community Partners: medquest.hawaii.gov/community

- **Contacting us by phone:** Call us at 1-800-316-8005 (TTY: 711 or 1-800-603-1201)

*Please continue to check this site for the most up-to-date information regarding H.R.1 and Work Requirements!*




The Emergency Medical Treatment and Labor Act (EMTALA) ensures everyone has access to emergency screening and stabilizing services, without regard to ability to pay.

- How will our Hospitals and healthcare providers be impacted by the increase in uninsured individuals?
  - Hospitals will bear an increase in uncompensated care costs when people are uninsured and cannot afford to pay for services out of pocket.
  - Rural hospitals are more vulnerable to costs of uncompensated care.
  - People will be sicker when they seek medical attention due to lack of access to preventative care which leads to increased costs in emergency treatment.




**Announcement:**

Med-QUEST is analyzing HR 1 and the impact this bill will have on how we currently operate our Medicaid program. As we move through understanding the details and timelines of the new rules and requirements, please know that the Department of Human Services and its Med-QUEST division remains true to our dedication to the health and wellbeing of our people. We encourage all of our members to continue to access healthcare by making and keeping appointments with your health care professional and picking up any medications that are prescribed. We will provide notice to any member of any changes to their coverage well in advance of any change being implemented.

Aloha and be well.

# COMMENTS OR QUESTIONS

# Provider Network Adequacy

# Provider Network Adequacy Details

- MQD understands that there are QI provider network adequacy concerns that have surfaced from various stakeholders regarding:
  - Primary care physicians
  - Transportation providers
  - Behavioral health providers
- MQD is committed to working with internal and external stakeholders to evaluate reports and data to ensure QI contract compliance.
- MQD has an annual QI contract cycle that can be utilized to make contract changes as needed.  There are existing remedies in the current contract that can be deployed to address network adequacy issues.

# COMMENTS OR QUESTIONS

# DSNP Alignment Efforts

# One-Time Medicaid Reassignment

- Hawaii has approximately 50,000 dual eligible members.
- Approximately 64% are enrolled in a Dual Eligible Special Needs Plan (D-SNP).
- Starting January 1, 2027, federal law under CFR 422.514 will require individuals enrolled or seeking to enroll in a D-SNP in Hawaii to be enrolled in the same organization for both their D-SNP and Medicaid plan.
- On November 2, 2026, Med-QUEST will implement a one-time Medicaid reassignment to move a members Medicaid plan to align with their D-SNP.

# One-Time Medicaid Reassignment (continued)

- On May 18, 2026, Med-QUEST sent out a letter to unaligned D-SNP members advising members to **change their D-SNP to align with their Medicaid plan** by September 30, 2026.
- **If a member does not align themselves by September 30, 2026**, Med-QUEST will automatically change their Medicaid plan to **align with their D-SNP on November 2, 2026**.
- **Exception: LTSS/CCS Members**
- Members enrolled in **Long-Term Services and Supports (LTSS)** or **Community Care Services (CCS)** are **excluded from this one-time Medicaid reassignment as Medicaid is the primary payor for most of these services.**

# One-Time Medicaid Reassignment (continued)

- **Med-QUEST** provided each D-SNP with a list of unaligned LTSS/CCS members enrolled in their affiliated Medicaid plan.
- **Med-QUEST is requesting D-SNPs to have their health coordinators outreach to these members to:**
- Educate members about the alignment requirement and the new policy taking effect **January 1, 2027**.
  - Explain the member's current alignment status.
  - Inform members of the actions they can take to align their plans by **December 31, 2026.**
  - Help members understand what will happen if they do not take action by **December 31, 2026.**

| Category | Number of Members (as of July 2026) |
|---|---|
| Total number of dual-eligible members in Hawaii enrolled in a D-SNP | 32,068 |
| ➢ Unaligned D-SNP members | 3,382 |
| • Will have Medicaid plan reassigned | 3,087 |
| • Enrolled in LTSS/CCS; will not have Medicaid plan reassigned | 295 |

# COMMENTS OR QUESTIONS

# Section 1115 Demonstration

# Med-QUEST (MQD) Section 1115 Demonstration Renewal: Overview

## Background

- On January 8, 2025, the Centers for Medicare & Medicaid Services (CMS) approved a five-year extension to Hawai‘i’s QUEST Integration (QI) Section 1115 Demonstration.
- The demonstration allows MQD to continue most of its previous authorities and includes many new initiatives to support healthy families and communities.

## Today’s Focus

- Provide overview of implementation progress across key demonstration areas:
  - Reentry
  - Health Related Social Needs (HRSN)
  - Home and Community-Based Services (HCBS) Quality Strategy
  - Section 1115 Demonstration Independent Evaluation

# Reentry Implementation Update



**Reentry Demonstration**

MQD and carceral agencies (DCR/HYCF) are partnering to provide a limited set of pre-release services to justice-involved individuals to support smooth community transitions.

## Service Description

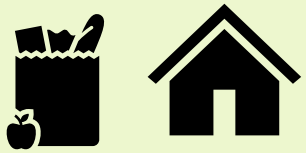
- Provide limited coverage for a targeted set of services to certain justice-involved individuals for up to 90 days before the individual's expected release date.*
- Services may include:
  - Case management
  - Medication-Assisted Treatment (MAT)
  - 30-day supply of medications at release
  - Clinical screenings and diagnostics
  - Provider office visits/wellness exams
  - Peer support services and DME

## Status Updates

- MQD, DCR, and HYCF are collaborating on the Policy and Operational Guidance and reimbursement rates. We anticipate publishing by October 2026.
- MQD, DCR, and HYCF continue to collaborate on broader systems and data sharing requirements to support implementation.
- Carceral agencies continue with implementation planning and readiness activities.

** Includes mandatory coverage for justice-involved youth as required by the Consolidated Appropriations Act of 2023.*

# Health Related Social Needs (HRSN) Implementation Update



## Health Related Social Needs

MQD is advancing the implementation of housing and nutrition benefits, along with associated infrastructure investments.

## Service Description

- MQD is focusing its HRSN work on the following benefits authorized in the Section 1115 demonstration:

| | |
|---|---|
| **Community Integration Services Plus (CIS+)** | Housing navigation, medical respite services*, and housing expense supports (e.g., rental and utility assistance). |
| **Nutrition Supports Benefits** | Nutrition instruction, home delivered meals/pantry stocking, medically tailored meals, and nutrition prescriptions. |
| **Infrastructure Investments** | Funding to support infrastructure and capacity-building investments needed for the implementation of HRSN services. |

## Status Updates

- MQD is actively progressing HRSN initiatives in phases. Recent updates include:
  - Published updated Medical Respite guidance in CIS+ Policy and Operational Guidance (July 2026)
  - Published HRSN Infrastructure Investment Policy and Operational Guidance (July 2026) ahead of launch of Community Capacity Grants (estimated Oct. 2026)
  - Publishing new Nutrition Supports Guidance, focused on supplemental food boxes/vouchers and nutrition instruction (estimated mid-September 2026)

*Includes Recuperative Care, Short-Term Post-Hospitalization Housing, and Pre-Procedure Housing*

# HCBS (Home and Community-Based Services) Quality Strategy Implementation Update



## HCBS Quality Strategy

Hawai‘i provides HCBS through its Section 1115 Medicaid managed care program, supporting people who need, or are at risk of needing, a nursing facility level of care. Through an ongoing federal pilot, MQD is advancing a more accountable, aligned approach to HCBS quality and oversight.

## Strategic Focus

- MQD is committed to strengthening HCBS quality and how care is monitored, to improve outcomes and member experience for people receiving home and community-based services.
- Beginning in 2026, MQD is participating in CMS's Section 1115 Access Rule HCBS Pilot, which includes:

| | |
|---|---|
| **HCBS Quality Measure Set** | A nationally standardized set of measures reflecting MQD's shared commitment with its health plan partners to strong HCBS quality, with domains including community integration, person-centered care, and member experience. |
| **Medicaid Access Rule Compliance Measures** | These measures reflect MQD's role overseeing its health plans and support a shared commitment to safe, person-centered care through stronger critical incident management and statewide service planning. |

## Status Updates

- MQD will submit its first year of pilot reporting by December 31, 2026, including quality improvement priorities identified from the HCBS Quality Measure Set.
  - This work is helping inform future quality strategies and will support ongoing efforts to improve outcomes and member experience, serving as the foundation for targeted improvement efforts to come.

# Section 1115 Demonstration Independent Evaluation Update



**Independent Evaluation by the University of Hawai‘i**

The University of Hawai‘i (UH) has been contracted by MQD to conduct an independent evaluation of the Section 1115 Demonstration Initiatives.

## Evaluation Objectives

- The independent evaluation is designed to assess progress toward the objectives set by Hawai‘i for the 2025 – 2029 extension of the Demonstration:
  - Improve health outcomes for Medicaid-enrolled individuals covered under the Demonstration;
  - Maintain a managed care delivery system that leads to more appropriate utilization of the health care system and a slower rate of expenditure growth; and
  - Address social drivers of health to improve health outcomes and lower health care costs.
- An independent evaluation is an unbiased assessment of a program's progress, performance, and impacts.
- Evaluation findings will contribute to the evidence base of what program innovations are impactful and why.

## Status Updates

- For the Demonstration approved in 2025, the Evaluation Design Report, produced by UH, was approved by CMS in May 2026.
- For the Demonstration approved in 2019, MQD/UH will submit a summative evaluation report to CMS in October 2026.
  - The report will feature evaluation findings for the prior Section 1115 Demonstration period (Aug. 2019 – July 2024).

# Looking Ahead

- MQD will continue advancing implementation across all demonstration workstreams
- MQD will provide further updates on these and other Section 1115 Demonstration initiatives during the next MAC meeting scheduled for 11/12/2026
- This will serve as the Annual Public Forum for the Section 1115 Demonstration Waiver and provide the public with an opportunity to provide meaningful comment on the progress of the demonstration

# COMMENTS OR QUESTIONS

# Quality Strategy Update

*Public comment period August 16 to September 16, 2026*

# Quality Strategy Agenda

- 2026 Quality Strategy update
- August 16 – September 16, 2026:  Public comment period
- October 15:  MQD submits to CMS

# Quality Strategy - Purpose

- MQD's plan for continuous quality improvement for services furnished by our MCOs
- A federal requirement which must be updated every three years at a minimum
- Highlight for this update: Reassessment and reorganization of the Managed Care Quality Strategy.

| HOPE Strategies | Managed Care Quality Strategy Goals | Managed Care Quality Strategy Objectives |
|---|---|---|
| Invest in Primary Care, Prevention and Health Promotion | Advance primary care, prevention, and health promotion | 1) Enhance pediatric care<br>2) Pregnancy-related care<br>3) Primary care screening<br>15) Dental care access |
| | Maintain access to appropriate care | 10) Access to care expansion<br>13) Dual covered population coordination |
| Improve outcomes for High-Need, High-Cost Individuals | Integrate behavioral health with physical health across the continuum of care | 4) Build behavioral health capacity<br>5) Support specialized behavioral health services |
| | Enhance care in LTSS settings | 6) End of life care support<br>8) Enhance community integration<br>9) Enhance nursing facility and home and community based services |
| Payment Reform and Alignment | Align payment structures to improve health outcomes | 11) Administrative simplification<br>12) Align payment structures |
| Support community driven initiatives | Support community initiatives to improve population health | 7) Address Health Related Social Needs<br>14) Member engagement enhancement |

# Quality Strategy highlights

| Objective 4<br>Building Behavioral Health Capacity | Objective 7<br>Assess & address Health Related Social Needs | Objective 13<br>Enhance Health Benefit Coordination for Hawai'i's Dual-Eligible Population |
|---|---|---|
| • Expanding access to evidence-based treatment and strengthening coordinated systems of care<br>• Improving service integration across the continuum of care | • Address food insecurity by -expanding access to nutrition supports<br>• Provide supportive housing to homeless beneficiaries with complex health needs<br>• Build and enhance data and infrastructural supports to address the Health-Related Social Needs | • Develop the Duals Data Dashboard (DDDASH)to identify the dual eligible population in Hawai'i.<br>• Implement a targeted outreach initiative to increase enrollment into Hawai'i's D-SNPs. |

# Public comment period

- AUG 14: 2026 Quality Strategy draft
  - Uploaded to MQD webpage - https://medquest.hawaii.gov/en/resources/quality-strategy.html
  - Emailed to BAC and Medicaid Advisory Committee (MAC)
- AUG 16 to Sep 16: MQD accepting public comments at QUEST_Integration@dhs.hawaii.gov
- Subject line: ATTENTION: QI Quality Strategy Response

# Quality Strategy - Timeline

- SEP 16-30:  MQD reviews public comment and updates Quality Strategy as needed
- OCT 15:  MQD submits 2026 Quality Strategy to CMS for review and feedback
- MQD to make revisions based on CMS' feedback and upload the final Quality Strategy to the MQD website: https://medquest.hawaii.gov/en/resources/quality-strategy.html

# COMMENTS OR QUESTIONS

# State Plan Amendment (SPA) Presentations and Discussions:

Updates 08/20/26

# State Plan Amendment: UPDATES - PRESENTATION ON THE STATUS OF STATE PLAN AMENDMENTS PREVIOUSLY REVIEWED BY THE MAC

# State Plan Updates:

- SPA 26-0005 Medicare Application Requirement- Approved 06/06/26 Effective 01/01/26.
- SPA 26-0002 Licensed non-nurse midwives: In RAI, Under CMS Review
- SPA 26-0008 Lab Fees and Durable Medical Equipment (DME) Payment Methodology- Under CMS review (Submitted to CMS 06/19/2, effective 07/01/26)
- SPA 26-0003 Section 5121 Mandatory Youth Reentry Services/Targeted Case Management-adding Juvenile Justice individuals- Under CMS review (Submitted to CMS 06/22/26, effective 01/01/25)

# State Plan Updates:

- **SPA 23-0007 Medicaid Application- In RAI , Under CMS review**
- **CHIP SPA 26-0006 Dental Services Health Service Initiative (HSI)- Under CMS review**

# New - Presentation of State Plan Amendments currently being submitted for CMS approval

# SPA 26-0007 “GENEROUS Model Participation”

**Background:**

In 2026, CMS launched the GENEROUS Model or Generating cost Reductions for U.S. Medicaid Model. The goal of the model is to reduce Medicaid prescription drug costs by negotiating supplemental rebates from participating drug manufacturers so participating state Medicaid programs pay prices closer to those paid in certain other developed countries.

Hawaii is choosing to voluntarily participate in this model, although participation does not obligate the State to negotiate or contract with any participating manufacturer.

**Submission to CMS: 07/27/26** **Effective Date: 07/31/2026**

# SPA 26-0007 “GENEROUS Model Participation”

**Supplement to Attachment 3.1-A and 3.1-B pg. 3.2c**

CMS has authorized a Supplemental Rebate Agreement between the State and the drug manufacturer for drugs provided to Medicaid Beneficiaries effective 07/31/2026.

**Submitted to CMS: 07/27/26** **Effective Date: 07/31/2026**

# SPA 26-0010 “Provisional or Associate Level Marriage and Family Therapist (MFT), Mental Health Counselor (MHC) Psychologist and Social Work Services”

**Background:**

On June 27, 2024, Governor Josh Green signed Act 93 (HB1830) was signed into law, effective 07/01/2026. The new law expands access to high quality mental health services by:

(1) Establishing provisional or associate-level licensure requirements and insurance reimbursement allowances for marriage and family therapists, mental health counselors, and psychologists in training;

(2) Authorizing psychologist license applicants who possess a provisional license to sit for their licensing examination before completing certain post doctoral supervised experience requirements; and

(3) Authorizing insurance reimbursements for services provided by a supervised social work intern in certain circumstances.

**Submission to CMS: Before 08/28/26** **Effective Date: 07/01/2026**

# SPA 26-0010 “Provisional or Associate Level Marriage and Family Therapist (MFT), Mental Health Counselor (MHC) Psychologist and Social Work Services”

**Supplement to Attachment 3.1-A and 3.1-B-Addendum 4** adds a new section to include the new providers allowed under Act 93:

6d. Services of Other Providers (continued)

ii. Services provided by provisionally licensed or associate level marriage & family therapists, mental health counselors, psychologists and social workers under licensed clinical supervision…within their scope of practice according to state law.

**Submission to CMS: Before 08/28/26** **Effective Date: 07/01/2026**

# SPA 26-0010 “Provisional or Associate Level Marriage and Family Therapist (MFT), Mental Health Counselor (MHC) Psychologist and Social Work Services”

**Attachment 4.19-B pg. 1.1** is added to clarify the payment methodology for these providers.

ii. Payment for provisionally licensed or associate-level Marriage & Family Therapists, Mental Health Counselors, Psychologists, and Social Workers services will be based on a state developed fee schedule which can be found at https://medquest.hawaii.gov/en/plans-providers/fee-for-service/fee-schedules.html

**Submission to CMS: Before 08/28/26** **Effective Date: 07/01/2026**

# State Plan Amendments: Coming Soon

- SPA 26-0007 Pharmacy payment methodology
- SPA 26-0012 citizenship and noncitizen eligibility reviewable unit (RU) related to federal financial participation (FFP) limitation under section 71109, alien Medicaid eligibility.
- SPA 26-0013 Medicaid recovery audit contractor (RAC) updates

# COMMENTS OR QUESTIONS

# Next Steps

# NEXT Steps

- The next MAC meeting is scheduled on Thursday, November 12, 2026, from 5:00 pm – 7:00 pm.
- MAC members will receive an email invite prior to this meeting.
- Participants who are not official members of the MAC team will need to email MQDMAC@dhs.Hawaii.gov requesting an invite prior to each meeting.

# MAHALO!

## MAC TEAM