

**Statement of Public Notice**  
**Section 1115(a) Renewal of Hawaii's Section 1115 Demonstration**

The State of Hawaii, Department of Human Services (the State), hereby notifies the public that it intends to seek a five-year renewal of its Section 1115 demonstration project from the Centers for Medicare & Medicaid Services (CMS). The State expects the current demonstration to expire on December 31, 2013. The State is providing this abbreviated notice pursuant to CMS requirements in 42 C.F.R. §431.408(a)(2)(ii).

Originally implemented as the QUEST program in 1994, QUEST Expanded is the current version of Hawaii's demonstration project to provide comprehensive benefits to its Medicaid enrollees through competitive managed care delivery systems. The demonstration covers Medicaid expansion populations through a variety of programs known as QUEST, QUEST-Net, and QUEST-ACE. The demonstration also covers aged, blind, or disabled Medicaid beneficiaries, including the provision of long-term supports and services, through the QUEST Expanded Access (QExA) program.

Under the "QUEST Integration" renewal, Hawaii seeks to continue to deliver services through managed care, while integrating the demonstration's programs and benefits to create a more patient-centered care delivery system and to align the demonstration with the Affordable Care Act's (ACA) new requirements. The State will eliminate all eligibility enrollment caps, and streamline its programs by consolidating the current programs under QUEST Integration. All eligible beneficiaries will be enrolled under QUEST Integration, and access to services will be based on clinical criteria and medical necessity.

Other initiatives in the proposed renewal include:

- Incorporating the new simplified Medicaid eligibility structure, the modified adjusted gross income eligibility methodology, and other changes in ACA.
- Offering new services to beneficiaries, including a home and community-based services (HCBS) benefit to individuals who are assessed to be at risk of deteriorating to an institutional level of care (the "at risk" population).
- Expanding coverage of behavioral health services.
- Preparing for integration of care for Medicaid and Medicare enrollees.
- Modifying the health plan enrollment process.
- Covering certain Medicaid expansion populations.
- Expanding the qualified provider network to increase access to substance abuse treatment services.
- Modifying retroactive coverage.
- Changing the payment process when hospice care is furnished to individuals residing in nursing facilities.
- Eliminating the QUEST-ACE enrollment benchmarks for purposes of claiming federal financial participation in uncompensated care costs.

The draft renewal application and the State's full public notice, which describe the demonstration and the proposed renewal in more detail, can be found at <http://www.med->

quest.us/ and [http://hawaii.gov/dhs/main/har/proposed\\_rules/](http://hawaii.gov/dhs/main/har/proposed_rules/). Hard copies are available for review at the Department of Human Services, Med-QUEST, Policy and Program Development Office at 601 Kamokila Blvd., Room 518, Kapolei, HI 96707.

The State will hold two public hearings to solicit comments from interested parties on the proposed renewal:

1. December 3, 2012 from 8:00 a.m.-12:00 p.m.:

Oahu            Keoni Ana Video Conference Center  
Keoni Ana Building  
1177 Alakea Street, Room 302  
Honolulu, Hawaii

Hawaii        Hilo Video Conference Center  
Hilo State Office Building  
75 Aupuni Street, Basement  
Hilo, Hawaii

Kauai         Lihue Video Conference Center  
Lihue State Office Building  
3060 Eiwa Street, Basement  
Lihue, Hawaii

Maui          Wailuku Video Conference Center  
Wailuku Judiciary Building  
2145 Main Street, First Floor  
Wailuku, Hawaii

2. December 7, 2012 from 9:00 a.m.-12:00 p.m.:

Department of Human Services  
1390 Miller Street, Conference Rooms 1 & 2  
Honolulu, Hawaii

Interested parties may alternatively participate by teleconference in the December 7 hearing. Should you be interested in participating in the teleconference, please call 808-692-8056 by close of business on December 5, 2012.

If you require special assistance or auxiliary aids and/or services to participate in the public hearing (*e.g.*, sign or foreign language or wheelchair accessibility), please contact:

Oahu            Jeri Kido (808) 692-8056  
Hawaii        Ann Stephenson (808) 933-0046  
Kauai         Iris Venzon (808) 241-3582  
Maui          Gail Omura (808) 243-5787

at least 72 hours prior to the hearing for arrangements. The prompt submission of requests helps to ensure the availability of qualified individuals and appropriate accommodations.