

JAN 25 2006

S.B. NO. 2678

A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that patients should have
2 access to alternative, complementary, and integrative forms of
3 health care. Many, if not most, states require insurance plans
4 to cover all licensed providers. Currently, the majority of
5 health insurance policies cover only traditional, Western health
6 care services. New and innovative as well as alternative
7 medicine delivery systems are not covered under these policies.
8 Patients have been demanding and purchasing traditional,
9 alternative, complementary, and integrative healthcare services
10 both directly from providers and through health care coverage
11 choices. This is evidenced by the fact that spending for
12 alternative medicine options has surpassed the gross national
13 consumer spending for primary care physicians.

14 The purpose of this Act is to require prepaid health care
15 policies to cover alternative, complementary, and integrative
16 forms of health care services when performed by licensed
17 providers.



1 SECTION 2. Chapter 431:10A, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 **"§431:10A- Alternative care by licensed providers. (a)**

5 All individual and group accident and health or sickness
6 insurance policies issued in this State and individual or group
7 hospital or medical service plan contracts shall cover services
8 provided by licensed providers of alternative, complementary,
9 and integrative health care; provided that:

10 (1) The provision of the health services or care is within
11 the health care provider's lawful scope of practice;
12 and

13 (2) The health care provider abides by standards related
14 to:

15 (A) Provision, utilization review, and cost
16 containment of health services or care;

17 (B) Management and administrative procedures; and

18 (C) Provision of cost-effective and clinically
19 efficacious health services or care.

20 (b) Notwithstanding any provision to the contrary,
21 whenever a policy, contract, plan, or agreement provides for
22 reimbursement for any health care service, which is within the



1 lawful scope of practice of the duly licensed health care
2 provider, the person entitled to benefits or the person
3 performing the service shall be entitled to reimbursement and
4 the policy, contract, plan, or agreement that provides for
5 reimbursement for any health care service shall include services
6 by every category of provider including services performed by a
7 traditional, alternative, complementary, or integrative health
8 care provider and shall not discriminate based upon race,
9 religion, national origin, ancestry, sex, sexual orientation,
10 age, disability status or type of licensure.

11 (c) An insurer may require a health care provider to abide
12 by standards promulgated by the insurer; provided that the
13 standards shall not unreasonably exclude categories of health
14 care providers.

15 (d) An insurer may place reasonable limits on the health
16 care services rendered by health care providers; provided that
17 the insurer shall not limit the type of health care provider who
18 may render the service.

19 (e) An insurer offering a policy, contract, plan, or
20 agreement with a restricted network may select the individual
21 health care providers under written guidelines approved by the
22 insurance commissioner and shall include every category of



1 health care providers with whom the insurer will contract or
 2 provide reimbursement. The health care insurer shall seek to
 3 establish a reasonable number of providers, subject to review by
 4 the insurance commissioner, within the various geographic
 5 districts to provide a substantial number of providers to
 6 service ongoing health care needs of the consuming public.

7 (f) An insurer shall not offer coverage for health care
 8 services for certain categories of health care providers as a
 9 separately priced optional benefit.

10 (g) As used in this section, "licensed providers of
 11 alternative, complementary, and integrative health care," means
 12 acupuncturists licensed under chapter 436E, massage therapists
 13 licensed under chapter 452, naturopathic physicians licensed
 14 under chapter 455, and chiropractors licensed under chapter
 15 442."

16 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
 17 amended by adding a new section to article 1 to be appropriately
 18 designated and to read as follows:

19 **"§432:1- Alternative care by licensed providers. All**
 20 **group health care contracts under this chapter shall provide, to**
 21 **the extent provided under section 431:10A- , coverage for**

1 services provided by licensed practitioners of alternative,
2 complementary, and integrative health care services."

3 SECTION 4. Chapter 432, Hawaii Revised Statutes, is
4 amended by adding a new section to article 2 to be appropriately
5 designated and to read as follows:

6 **"§432:2- Alternative care by licensed providers.** All
7 fraternal benefit societies under this chapter shall provide, to
8 the extent provided under section 431:10A- , coverage for
9 services provided by licensed practitioners of alternative,
10 complementary, and integrative health care services."

11 SECTION 5. Section 432D-23, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§432D-23 Required provisions and benefits.**
14 Notwithstanding any provision of law to the contrary, each
15 policy, contract, plan, or agreement issued in the State after
16 January 1, 1995, by health maintenance organizations pursuant to
17 this chapter, shall include benefits provided in sections
18 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,
19 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120, [and]
20 431:10A-121, 431: 10A___ and chapter 431M."

21 SECTION 6. This Act shall not require an auditor's study
22 under section 23-51, Hawaii Revised Statutes.

1 SECTION 7. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 8. This Act shall take effect on September 1,
4 2006.

5

INTRODUCED BY: *Shianne Chun Akiland*

6



Report Title:

Health Insurance; Choice of Provider

Description:

Allows a person entitled to benefits to choose a traditional, alternative, complementary or integrative licensed health care provider.

