
A BILL FOR AN ACT

RELATING TO MENTAL HEALTH.

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

1 SECTION 1. Chapter 346, Hawaii Revised Statutes, is
2 amended by adding a new section to part II to be appropriately
3 designated and to read as follows:

4 "§346- Psychiatric services; reimbursement rate. (a)
5 Beginning July 1, 2007, the reimbursement rate for psychiatric
6 services shall be per cent of the medicare fee schedule;
7 provided that in any county with a population of 200,000 or
8 less, the reimbursement rate for psychiatric services shall be
9 per cent of the medicare fee schedule.

10 (b) Notwithstanding any law to the contrary, the
11 department shall make appropriate adjustments to the rate of
12 payment per participating recipient amount paid to health
13 maintenance organizations and prepaid health plans pursuant to
14 section 346-59(d), to allow for the increase in reimbursement
15 rates for psychiatric services. Health maintenance
16 organizations and prepaid health plans shall not be required to
17 increase reimbursement rates for psychiatric services until the



1 department makes adjustments to the rate of payment per
2 participating recipient amounts. Within one week after
3 finalizing any adjustments, the department shall notify each
4 health maintenance organization and prepaid health plan.

5 (c) The department shall submit annual reports to the
6 legislature no later than twenty days prior to the convening of
7 each regular session regarding reimbursement rates and any
8 adjustments under this section."

9 SECTION 2. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$, or so
11 much thereof as may be necessary for fiscal year 2007-2008, and
12 the same sum, or so much thereof as may be necessary for fiscal
13 year 2008-2009, for the medicaid program to cover the
14 reimbursement rate increase provided for in section 1 of this
15 Act.

16 The sums appropriated shall be expended by the department
17 of human services for the purposes of this Act.

18 SECTION 3. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2007.



REPORT Title:

Medicaid; Reimbursement Rate

Description:

Increases the reimbursement rate for medicaid and QUEST psychiatric services according to county population. Requires notice to HMOs and prepaid health plans of any rate adjustments. Requires annual report to legislature. Appropriates \$ for the reimbursement rate increase. (SD2)

