

JAN 22 2008

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

1 SECTION 1. Section 431:10C-103.6, Hawaii Revised Statutes,
2 is amended to read as follows:

3 "§431:10C-103.6 Personal injury protection benefits tied to
4 prepaid health care plan for description of coverage only. (a)
5 The benefits provided under section 431:10C-103.5 shall be
6 substantially comparable to the requirements for prepaid health
7 care plans, as provided in chapter 393 and rules of the
8 department of labor and industrial relations, pertaining to the
9 Prepaid Health Care Act. The reference to the Prepaid Health
10 Care Act is only for purposes of describing the coverages and
11 exclusions, without regard to any specific insurer or plan, and
12 shall not be construed to transfer coverage to the prepaid
13 health care plans. The precise charges and utilization rates
14 shall be as contained in the workers' compensation schedules as
15 provided under section 431:10C-308.5, unless modified by the
16 commissioner by rule under chapter 91.

17 (b) Chiropractic treatments shall be allowed for not more
18 than the lesser of the following:

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1 (1) Thirty visits at no more than \$75 a visit, plus no
2 more than five x-rays at no more than \$50 each; or

3 (2) Treatment as defined by the Hawaii State Chiropractic
4 Association guidelines in effect on January 25, 1997.

5 (c) Acupuncture treatments shall be allowed for no more
6 than thirty visits at no more than \$75 a visit.

7 (d) Naturopathic treatments shall be allowed for no more
8 than thirty visits at no more than \$75 a visit.

9 (e) Therapeutic massage treatments shall be allowed for no
10 more than thirty visits at no more than \$75 a visit.

11 [~~e~~] (f) The combined total of naturopathic,
12 chiropractic, therapeutic massage, and acupuncture treatments
13 may not exceed thirty visits.

14 [~~f~~] (g) The benefits under section 431:10C-103.5 may be
15 with copayment, and shall be subject to and apply the utilization
16 requirements applicable under prepaid health care plans, under
17 chapter 393."

18 SECTION 2. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

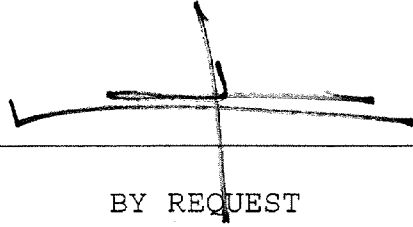
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21 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: _____

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BY REQUEST

Report Title:

Motor Vehicle Insurance; PIP; Therapeutic Massage

Description:

In determining motor vehicle insurance policy personal injury protection benefits, imposes the same limitations on the number of visits, charge per visit, and combined total visits for therapeutic massage treatments as are imposed on naturopathic, chiropractic, and acupuncture treatments.

JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE.

PURPOSE: To provide limitations on coverage for therapeutic massage under personal injury protection benefits in motor vehicle insurance policies by specifically:

- (1) Limiting therapeutic massage treatments to no more than thirty visits at no more than \$75 per visit; and
- (2) Limiting the combined total of therapeutic massage, chiropractic, acupuncture, and naturopathic visits to no more than thirty visits.

MEANS: Amend section 431:10C-103.6, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Pursuant to section 431:10C-103.5, HRS, personal injury protection benefits under motor vehicle insurance policies include, among other things, appropriate and reasonable treatment and expenses for therapeutic massage by a licensed therapist when prescribed by a medical doctor. Pursuant to section 431:10C-103.6, the precise charges and utilization rates for therapeutic massage services are contained in the workers' compensation supplemental medical fee schedule adopted by the Director of Labor and Industrial Relations.

Effective January 1, 2007, the Department of Labor and Industrial Relations implemented changes to the workers' compensation supplemental medical fee schedule, which, among other things, increased the charges permissible for therapeutic massage services. These changes will:

- (1) Increase personal injury protection benefit costs to insurers for the various types of therapeutic massage

services allowed by an average of ten percent; and

- (2) Increase the number of claims that exceed the \$10,000 per person aggregate limit for services covered as a personal injury protection benefit, thus also increasing the number of claims that spill over from personal injury protection coverage to other coverages, such as bodily injury and uninsured and underinsured coverages.

This bill will help to keep motor vehicle insurance premiums affordable and accessible to Hawaii's citizens and businesses by lessening the impact which increased charges for therapeutic massage services in the workers' compensation supplemental medical fee schedule will have on insurers. This bill accomplishes this by imposing the same personal injury protection limitations on therapeutic massage services that presently are imposed on naturopathic, chiropractic, and acupuncture treatments.

Impact on the public: This bill will help to keep motor vehicle insurance premiums affordable and accessible to Hawaii's citizens and businesses by lessening the impact which increased charges for therapeutic massage services in the workers' compensation supplemental medical fee schedule will have on insurers.

Impact on the department and other agencies:
None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: CCA-106.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.