

SCR 17



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 17, 2009

The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services
and
The Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce and Consumer Protection
Twenty-Fifth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senators Chun Oakland and Baker and Members of the Committees:

SUBJECT: SCR 17 – MANDATING COVERAGE OF EARLY INTERVENTION SERVICES FOR INFANTS AND CHILDREN FROM BIRTH TO THREE.

The position and views expressed in this testimony do not represent nor reflect the position and views of the Department of Health (DOH).

The State Council on Developmental Disabilities (DD) **SUPPORTS SCR 17**. The concurrent resolution requires that the Auditor conduct an impact assessment report pursuant to Sections 23-51 and 23-52, Hawaii Revised Statutes, of the social and financial impacts of mandating health insurance for medically necessary early intervention services for infants and toddlers from birth to three.

During the 1998 legislative session, SB 2948 was introduced to address mandatory insurance coverage for early intervention services. As a result, SCR 48 SD1 HD1 was adopted that requested the Auditor to perform a sunrise review of the proposed mandatory health insurance coverage for early intervention services. The Auditor completed the sunrise review, "Study of Proposed Mandatory Health Insurance Coverage for Early Intervention Services" (Report No. 99-7) and concluded that "if the Legislature wishes to enact S.B. No. 2948 or any legislation to mandate private insurance coverage for early intervention services, the concerns raised by insurers, employer organizations, and others should be addressed. Clear communication and an agreement between the affected parties would be needed."

The Council recommends that the Auditor refer to its report (Report No. 99-7) to address the concerns cited by insurers, employer organizations, and others to be included in this report required by SCR 17. Concerns included broadness of the definition of early intervention services, characteristics, numbers and health status of insurer's members already utilizing early intervention services, and purchasing services from providers of early intervention services.

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Additionally, the Council supports the proposed amendments offered by the Hawaii Early Intervention Coordinating Council regarding the items for the Auditor to address in conducting the social and financial impacts in providing mandatory health insurance coverage for early intervention services.

Thank you for the opportunity to present testimony supporting the adoption of SCR 17.

Sincerely,



Waynette K.Y. Cabral
Executive Administrator



Rosie Rowe
Chair



HAWAI'I EARLY INTERVENTION
COORDINATING COUNCIL

1350 South King St. Suite 200 ☎ Honolulu Hawai'i 96814

Date: March 16, 2009

To: COMMITTEE ON HUMAN SERVICES
Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Senator Rosalyn H. Baker, Chair
Senator David Y. Ige, Vice Chair

Fr: Leolinda Parlin, Chair, Hawaii Early Intervention Coordinating Council

Re: **SUPPORT SCR17 – MANDATING COVERAGE OF EARLY INTERVENTION SERVICES FOR INFANTS AND CHILDREN FROM BIRTH TO AGE THREE**

On behalf of the Hawai'i Early Intervention Coordinating Council (HEICC), we **support** SCR17 which launches the study by the legislative auditor to assess the feasibility of requiring health insurance coverage for early intervention services provided through the Department of Health.

The Council fully supports the expansion of potential revenue sources to fund our mandated services; especially in light of each passing day where our state dollars are diminishing.

While we understand a study had been previously conducted we ask that a new study be completed which would better define the "benefit" in the following areas:

1. Benefit limit in the range of \$6,000-\$17,000 a year, restricted to infants and toddlers from birth to age three;
2. Elimination of copayments, deductibles and co-insurance;
3. Restrict application of services against maximum lifetime or annual caps;
4. Restrict services to mandated services as defined in the Early Intervention State Plan;



It became apparent in reviewing the previous study that the participants may not have fully understood the benefit or its inter-relationship with the Department of Health. It is a unique set of benefits and the exclusions and existing barriers from accessing these services through existing plans were not explained to the participants. One would think that if a plan covers occupational, physical, and speech therapies that there would be no need to add similar services. However, most plans have an exclusion to these services if the reason for such services is to address developmental delays.

We further ask that the following research questions be considered in addition to those defined in HRS 23-51 and 23-52:

1. Determine if consumers are aware that commercial health plans do not cover these medically necessary services for children with developmental delays and those who are at substantial risk for developmental delays;
2. Determine the extent to which consumers would expect this type of coverage if their child(ren) had a developmental delay or was/were at substantial risk for developmental delay;

Thank you for your time and consideration. The Council is available answer any questions of the committee.

Testimony of
Phyllis Dendle
Director of Government Affairs

Before:
Senate Committee on Human Services
The Honorable Suzanne Chun Oakland, Chair
The Honorable Les Ihara, Jr., Vice Chair

Senate Committee on Commerce and Consumer Protection
The Honorable Rosalyn H. Baker, Chair
The Honorable David Y. Ige, Vice Chair

March 17, 2009
1:15 pm
Conference Room 016

**SCR 17 MANDATING COVERAGE OF EARLY INTERVENTION SERVICES
FOR INFANTS AND CHILDREN FROM BIRTH TO AGE THREE**

Chairs Chun Oakland and Baker and committee members; thank you for this opportunity to provide testimony on this resolution requesting a study by the legislative auditor of mandating health insurance coverage for early intervention services.

Kaiser Permanente Hawaii supports this resolution and requests an amendment.

We support asking the legislative auditor to study the social and financial impacts of this proposed expansion of benefits. **We would like to request that you also ask the auditor to review and report on what benefits and services are mandated by state and federal law, what services are currently provided by the state, and what funding the state receives from the federal government to provide these services.**

We think this information is important to know when discussing what early intervention services and benefits should be provided and who should provide them.

Thank you for your consideration.