

MAR 15 2011

SENATE RESOLUTION

REQUESTING THE AUDITOR TO ANALYZE THE PROBABLE EFFECTS OF THE PROPOSED MANDATED COVERAGE OF HEALTH INSURANCE FOR TOBACCO CESSATION AND ASSESS WHETHER ITS ENACTMENT IS CONSISTENT WITH STATE POLICY.

1 WHEREAS, the Legislature finds that insurance plans,
2 contracts, and policies in the State of Hawaii are not required
3 to include coverage for tobacco cessation methods; and
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5 WHEREAS, the Legislature finds that there is no requirement
6 that insurers cover comprehensive tobacco-dependence treatment
7 recommended by the United States Public Health Service for
8 beneficiaries in the State of Hawaii; and
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10 WHEREAS, the United States Department of Health and Human
11 Services indicates that counseling and pharmacotherapy increase
12 the chances of successfully quitting smoking, especially when
13 compared to unassisted attempts, and that about 95 percent of
14 people who try to stop smoking without pharmacological aid will
15 relapse or continue to smoke within one year of an attempt to
16 stop using tobacco; and
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18 WHEREAS, more than half of current smokers in Hawaii tried
19 quitting smoking in 2009 and more than 87 percent of adult
20 smokers plan to quit smoking according to the Department of
21 Health; and
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23 WHEREAS, the Campaign for Tobacco-Free Kids indicates that
24 annual health care costs of \$336,000,000 in Hawaii are directly
25 caused by smoking of which \$117,000,000 is paid for by the State
26 Medicaid program; and
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28 WHEREAS, an actuarial study conducted by Milliman, Inc.
29 found that each employee or dependent who quits smoking reduces



1 annual medical and life insurance costs by at least \$210 almost
2 immediately; and

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4 WHEREAS, the State of Massachusetts saw significant health
5 improvements after two years of providing United States Food and
6 Drug Administration-approved pharmacotherapies and counseling to
7 Medicaid beneficiaries, including 33,000 less smokers and a
8 reduction in the number of hospitalizations for heart attack,
9 emergency room visits for asthma, and claims for maternal birth
10 complications; and

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12 WHEREAS, the Legislature also finds that because of the
13 numerous health risks associated with smoking and tobacco use,
14 including lung disease, heart disease, cancers, and other health
15 problems, there is a definite and tangible health benefit that
16 will result from having less tobacco users in Hawaii; and

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18 WHEREAS, it is in the State's interest to assist tobacco
19 users in addressing their tobacco dependence by ensuring that
20 tobacco cessation and tobacco dependence treatment services are
21 available to as many people as possible, including beneficiaries
22 of health insurance; and

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24 WHEREAS, such a tangible health benefit translates to
25 financial benefits in prevented deaths, surgeries avoided, and
26 other financial savings due to costly health procedures averted
27 by keeping the population in good health; and

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29 WHEREAS, mandated coverage for tobacco cessation would
30 enable the prevention of a myriad of health problems related to
31 tobacco use; and

32
33 WHEREAS, mandatory coverage for tobacco cessation should
34 also require individual and group hospital and medical service
35 contracts that provide health care coverage to provide coverage
36 that requires no co-payment for tobacco cessation claims by
37 using methods such as the following:

- 38
39 (1) Telephone, individual and group counseling, and
40 intervention sessions; and
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42 (2) Prescription coverage for all nicotine replacement
43 products and tobacco cessation medications approved by
44 the United States Food and Drug Administration and as



1 recommended by the United States Public Health Service
2 Guideline, Treating Tobacco Use and Dependence;

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4 and

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6 WHEREAS, mandatory coverage for tobacco cessation should
7 not have barriers that impede obtaining service; thus, there
8 should be no requirement for prior authorization, no annual or
9 lifetime limits on cessation attempts or costs, no limits on
10 treatment duration, no requirements that medication and
11 counseling be used together, and no requirements that less
12 costly medications be used before other medications will be
13 covered; and

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15 WHEREAS, health plans in Hawaii should be required to
16 promote the provision of such tobacco cessation benefits to
17 their members; and

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19 WHEREAS, section 23-51, Hawaii Revised Statutes, requires
20 that:

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22 "[b]efore any legislative measure that mandates
23 health insurance coverage for specific health services,
24 specific diseases, or certain providers of health care
25 services as part of individual or group health insurance
26 policies, can be considered, there shall be concurrent
27 resolutions passed requesting the auditor to prepare and
28 submit to the legislature a report that assesses both the
29 social and financial effects of the proposed mandated
30 coverage";

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32 and

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34 WHEREAS, section 23-51, Hawaii Revised Statutes, further
35 provides that:

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37 "[t]he concurrent resolution shall designate a
38 specific legislative bill that:

- 39 (1) Has been introduced in the legislature; and
40 (2) Includes, at minimum, information identifying the:
41 (A) Specific health service, disease, or provider
42 that would be covered;
43 (B) Extent of the coverage;
44 (C) Target groups that would be covered;



1 (D) Limits on utilization, if any; and
2 (E) Standards of care.

3 For purposes of this part, mandated health insurance
4 coverage shall not include mandated optional";

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6 and

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8 WHEREAS, section 23-52, Hawaii Revised Statutes, further
9 specifies the minimum information required for assessing the
10 social and financial impact of the proposed health coverage
11 mandate in the Auditor's report; and

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13 WHEREAS, H.B. No. 1443 (2011) and S.B. No. 1452 (2011)
14 mandates that health insurers provide coverage for tobacco
15 cessation, effective July 1, 2011; now, therefore,

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17 BE IT RESOLVED by the Senate of the Twenty-sixth
18 Legislature of the State of Hawaii, Regular Session of 2011,
19 that the Auditor is requested to conduct an impact assessment
20 report, pursuant to sections 23-51 and 23-52, Hawaii Revised
21 Statutes, of the social and financial impact of mandating health
22 insurance coverage for tobacco cessation; and

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24 BE IT FURTHER RESOLVED that the Auditor is requested to
25 report findings and recommendations to the Legislature no later
26 than 20 days prior to the convening of the Regular Session of
27 2012; and

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29 BE IT FURTHER RESOLVED that certified copies of this
30 Resolution be transmitted to the Auditor, the Insurance
31 Commissioner, who, in turn, is requested to transmit copies



1 to each insurer in the State that issues health insurance
2 policies.

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OFFERED BY:

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