

JAN 19 2012

A BILL FOR AN ACT

RELATING TO MENTAL HEALTH.

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

1 SECTION 1. The legislature finds that the department of
2 health has recently implemented administrative rules that narrow
3 the scope of people who are eligible to receive continuing
4 services from the adult mental health division. The legislature
5 further finds that these restrictive rules leave many people
6 with mental health needs without access to mental health
7 services.

8 The purpose of this Act is to:

- 9 (1) Require the adult mental health division of the
10 department of health to provide services to people
11 with a qualifying diagnosis;
- 12 (2) Allow the department of health to bill an insurer for
13 treatment services rendered by the State pursuant to
14 chapter 334, Hawaii Revised Statutes; and
- 15 (3) Make the department of health eligible to receive
16 reimbursement from an insurer in exchange for
17 treatment services rendered by the State pursuant to
18 chapter 334, Hawaii Revised Statutes.



1 SECTION 2. Section 334-1, Hawaii Revised Statutes, is
2 amended by adding two new definitions to be appropriately
3 inserted and to read as follows:

4 "Qualifying diagnosis" means one of the following
5 diagnoses:

- 6 (1) Schizophrenia and other psychotic disorders;
- 7 (2) Mood disorders, including recurrent major depressive
8 disorder and bipolar disorders;
- 9 (3) Anxiety disorders, including panic disorder with
10 agoraphobia, obsessive-compulsive disorder, and
11 post-traumatic stress disorder;
- 12 (4) Borderline personality disorder;
- 13 (5) Substance-related disorders that do not resolve in
14 thirty days, including alcohol-induced psychotic
15 disorder, amphetamine-induced psychotic disorder,
16 cannabis-induced psychotic disorder, cocaine-induced
17 psychotic disorder, hallucinogen-induced psychotic
18 disorder, inhalant-induced psychotic disorder,
19 opioid-induced psychotic disorder,
20 phencyclidine-induced psychotic disorder, sedative-,
21 hypnotic-, or anxiolytic-induced psychotic disorder,



1 and other or unknown substance-induced psychotic
2 disorders; and
3 (6) Co-occurring disorders, including persons with severe
4 and persistent mental illness and a substance abuse
5 disorder, and persons with severe and persistent
6 mental illness and diagnosis of mild mental
7 retardation.

8 "Severe and persistent mental illness" means a qualified
9 diagnosis, as defined in this section, that results in
10 emotional, cognitive, or behavioral functioning that is so
11 impaired as to substantially interfere with a person's capacity
12 to remain in the community without treatment, and that results
13 in a long-term limitation in a person's functional capacities
14 for the primary activities of daily living."

15 SECTION 3. Section 334-3, Hawaii Revised Statutes, is
16 amended by amending subsection (c) to read as follows:

17 (c) The department shall specifically:
18 (1) Perform statewide assessments of the need for
19 prevention, treatment, and rehabilitation services in
20 the areas of mental or emotional disorders and
21 substance abuse;



- 1 (2) Adopt rules pursuant to chapter 91 for establishing
2 the number and boundaries of the geographical service
3 areas for the delivery of services in the areas of
4 mental or emotional disorders and substance abuse.
5 The department shall periodically review the
6 effectiveness of the geographical service areas in
7 promoting accessibility and continuity of appropriate
8 care to all residents of that geographical area;
- 9 (3) Appoint a service area administrator in each county
10 who shall be responsible for the development,
11 delivery, and coordination of services in that area;
- 12 (4) Ensure statewide and community-based planning for the
13 ongoing development and coordination of the service
14 delivery system as guided by needs assessment data and
15 performance related information;
- 16 (5) Establish standards and rules for psychiatric
17 facilities and their licensing, where applicable;
- 18 (6) Establish standards and rules for services in the
19 areas of mental health and substance abuse treatment,
20 including assurances of the provision of minimum
21 levels of accessible service to persons of all ages,
22 ethnic groups, and geographical areas in the State;



- 1 (7) Ensure community involvement in determining the
2 service delivery arrangements appropriate to each
3 community of the State;
- 4 (8) Cooperate with public and private health, education,
5 and human service groups, agencies, and institutions
6 in establishing a coordinated system to meet the needs
7 of persons with mental or emotional disorders and
8 substance abuse difficulties;
- 9 (9) Evaluate and monitor all services in the fields of
10 mental health and substance abuse where such services
11 are supported fully or in part by state resources;
- 12 (10) Promote and conduct research, demonstration projects,
13 and studies concerned with the nature, prevention,
14 intervention, and consequences of mental or emotional
15 disorders and substance abuse;
- 16 (11) Keep records, statistical data, and other information
17 as may be necessary in carrying out the functions of
18 the mental health system and this chapter;
- 19 (12) Advocate patients' rights in all psychiatric
20 facilities in the State and investigate any grievances
21 submitted to the department by any patient in a
22 psychiatric facility, except as provided in section



1 334E-2(d). The department shall establish rules and
2 procedures for the purpose of this paragraph within
3 one year after January 1, 1985, and post the rules in
4 a conspicuous manner and accessible place;

5 (13) Promote and conduct a systematic program of
6 accountability for all services provided, funds
7 expended, and activities carried out under its
8 direction or support in accordance with sound
9 business, management, and scientific principles;

10 (14) Coordinate mental health resources in each county of
11 the State by the development and presentation of a
12 comprehensive integrated service area plan developed
13 by the service area administrator in conjunction with
14 the service area board. The service area
15 administrator and the service area board, in
16 collaboration with private and public agencies serving
17 their population, shall submit recommendations for the
18 statewide comprehensive integrated service plan,
19 including needs assessment, program planning, resource
20 development, priorities for funding, monitoring, and
21 accountability activities;



- 1 (15) Oversee and coordinate service area programs and
- 2 provide necessary administrative and technical
- 3 assistance to assist service area programs in meeting
- 4 their program objectives; [~~and~~]
- 5 (16) Provide staffing to the state council and service area
- 6 boards to assist in the performance of their
- 7 functions[~~-~~]; and
- 8 (17) Notwithstanding any rules to the contrary adopted by
- 9 the department, any person with a "qualifying
- 10 diagnosis", as defined in section 334-1, shall be
- 11 eligible for services provided by the department of
- 12 health's adult mental health division."

13 SECTION 4. Section 334-6, Hawaii Revised Statutes, is
 14 amended to read as follows:

15 **"§334-6 Fees; payment of expenses for treatment services.**

16 (a) Pursuant to chapter 91, the director shall establish
 17 reasonable charges for treatment services and may make
 18 collections on such charges. In making the collections on such
 19 charges the director shall take into consideration the financial
 20 circumstances of the patient and the patient's family including
 21 a reciprocal beneficiary, and no collections shall be made where
 22 in the judgment of the director, such collections would tend to



1 make the patient or the patient's family including a reciprocal
2 beneficiary, a public charge or deprive the patient and the
3 patient's family including a reciprocal beneficiary, of
4 necessary support.

5 (b) Every person hospitalized at a psychiatric facility or
6 receiving treatment services through a community mental health
7 center under the jurisdiction of the State or a county, or at a
8 psychiatric facility or through a community mental health center
9 which derives more than fifty per cent of its revenues from the
10 general fund of the State, or pursuant to contract with the
11 director under section 334-2.5, shall be liable for the expenses
12 attending their reception, maintenance, and treatment and any
13 property not exempt from execution belonging to the person shall
14 be subject to sequestration for the payment of the expenses.

15 Every parent or legal guardian of a patient who is a minor and
16 every spouse or reciprocal beneficiary of a patient shall be
17 liable for the expenses attending the reception, maintenance,
18 and treatment of that minor child or spouse or reciprocal
19 beneficiary who is hospitalized at a psychiatric facility or
20 receiving treatment through a community mental health center
21 under the jurisdiction of the State or a county, or at a
22 psychiatric facility or through a community mental health center



1 which derives more than fifty per cent of its revenues from the
2 general fund of the State, or pursuant to contract with the
3 director under section 334-2.5.

4 (c) The department:

5 (1) May bill an insurer for treatment services rendered by
6 the State pursuant to this chapter; and

7 (2) Shall be eligible to receive reimbursement from an
8 insurer billed in accordance with this section."

9 SECTION 5. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect upon its approval.

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Report Title:

Mental Health; Adult Mental Health Division; Department of Health

Description:

Requires the adult mental health division of the department of health to provide services to people with a qualifying diagnosis. Allows the department of health to bill and receive reimbursement from an insurer for treatment services rendered by the State pursuant to chapter 334, HRS.

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