

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 2631
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Health and Commerce and Consumer Protection, to which was referred S.B. No. 2631 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

beg leave to report as follows:

The purpose and intent of this measure is to ensure the provision of quality health care procedures for all Hawaii residents by requiring coverage of and treatment for autism spectrum disorders.

Your Committees received testimony in support of this measure from Autism Speaks and eight individuals. Your Committees received testimony in opposition to this measure from HMSA and Kaiser Permanente. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and AFLAC.

Your Committees find that autism is increasing in prevalence and that early and intensive treatment efforts, especially applied behavior analysis, may prevent an individual from becoming a lifelong ward of the State. Your Committees further find that such treatment poses a huge financial burden for families and as this treatment is not covered by health insurers, out-of-pocket costs may be upwards of \$50,000 per year. Consequently, those who cannot afford such costs cannot access critical treatment.

Your Committees also find that even though the cost of insurance may increase as a result of this measure, the assistance



provided to families in need, the ability of those with an autism spectrum disorder to live a more productive life, and the long-term savings to the State as a result of positive treatment outcomes far outweigh the short-term costs. Testimony submitted by Autism Speaks refers to a Harvard School of Public Health Study which estimates that over the course of a lifetime, an individual with an autism spectrum disorder who is also a ward of the state will cost the state approximately \$3,200,000.

Lastly, your Committees find that amending the language to appropriately reflect the nuances of insurance-related terminology will best allow the people of the State to benefit from the provisions of this measure.

Your Committees have amended this measure by:

- (1) Amending the new language added to chapter 431:10A, Hawaii Revised Statutes, in section 1 to appropriately reference accident and health or sickness insurance policies and insurers;
- (2) Specifying that all accident and health or sickness insurance policies shall provide to covered individuals coverage for the well-baby and well-child screening;
- (3) Providing that the benefit for behavioral health treatment under chapters 431:10A and 432:1, Hawaii Revised Statutes, may be capped at \$50,000 per year or \$300,000 for the lifetime of the individual;
- (4) Specifying that payments made on behalf of a covered individual for any care, treatment, intervention, service, or item other than behavioral health treatment shall not be applied toward any minimum, rather than not being applied toward the maximum, benefit for behavioral health treatment;
- (5) Requiring coverage for applied behavioral analysis services under chapters 431:10A and 432:1, Hawaii Revised Statutes, only when the services are provided or supervised by a board-certified behavioral analyst or by an appropriately trained licensed psychologist, with reimbursements also to be provided for the therapists working under the supervision of the board-certified behavioral analyst or licensed psychologist;



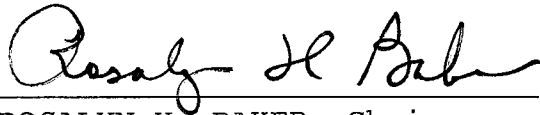
- (6) Changing from January 1, 2015, to January 1, 2014, the date as of which benefits under this measure that exceed the essential health benefits under the Patient Protection and Affordable Care Act shall not be required of a health plan offered through the Hawaii Health Connector;
- (7) Deleting the definitions for "autism service provider" and "health insurance policy";
- (8) Removing "guidance services" from the types of covered behavioral health treatment;
- (9) Removing psychiatrists from the group of service providers who may provide covered treatment for an autism spectrum disorder and including "related equipment" as one of the covered elements for this same treatment;
- (10) Amending the new language added to chapter 432:1, Hawaii Revised Statutes, in section 3 to appropriately reference individual and group hospital or medical service plans, policies, contracts, or agreements;
- (11) Specifying that for mutual benefit societies:
 - (A) Coverage for treatment under this measure shall not be denied on the basis that the treatment is habilitative or non-restorative in nature;
 - (B) Except for inpatient services, if an individual is receiving treatment for an autism spectrum disorder, an insurer may request a review of that treatment not more than once every twelve months, with the cost of obtaining any review borne by the insurer;
 - (C) The mandatory coverage under this measure shall not be construed as reducing any obligation to provide services to an individual under an individualized family service plan, an individualized education program, or an individualized service plan; and




- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2631, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2631, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Health and
Commerce and Consumer
Protection,



ROSALYN H. BAKER, Chair

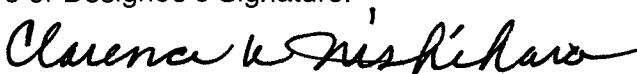


JOSH GREEN, M.D., Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i


Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2631	HTH / CPN, WAM	2/14/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)	✓			
NISHIHARA, Clarence K. (VC)		✓		
BAKER, Rosalyn H.	✓			
CHUN OAKLAND, Suzanne	✓			
SHIMABUKURO, Maile				✓
WAKAI, Glenn				✓
SLOM, Sam			✓	
TOTAL	3	1	1	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

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SB 2631	HTH/CPN, WAM	2-14-12		
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The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood				✓
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.		✓		
SOLOMON, Malama		✓		
SLOM, Sam			✓	
TOTAL	3	2	1	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
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