
A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The rate of children with orofacial anomalies
2 such as cleft lip or cleft palate in the State is estimated to
3 be one in five hundred births. Orthodontic services for the
4 treatment of orofacial anomalies are not included as a benefit
5 of commercial health plans. Without orthodontic treatment,
6 appropriate care and reconstructive surgical outcomes are
7 compromised and result in functional deficiencies in chewing,
8 swallowing, respiration, speech, unstable or malpositioned oral
9 structures, premature tooth loss, and adverse psychosocial
10 effects.

11 Orthodontic services has for several years been a covered
12 medical benefit of the Hawaii medicaid program and is the
13 benchmark plan for pediatric oral health for the essential
14 health benefits package for the State.

15 The purpose of this Act is to promote quality health care
16 procedures in the State by requiring insurance coverage of
17 medically necessary orthodontic treatment of orofacial
18 anomalies.



1 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to article 10A to be
3 appropriately designated and to read as follows:

4 "§431:10A- Orthodontic services for orofacial anomalies;
5 benefits and coverage; notice. (a) Each health insurance
6 policy, contract, plan, or agreement issued or renewed in this
7 State after December 31, 2014, shall provide to the policyholder
8 and individuals under twenty-six years of age covered under the
9 policy, contract, plan, or agreement, coverage of medically
10 necessary orthodontic services for the treatment of orofacial
11 anomalies.

12 (b) Every insurer shall provide written notice to its
13 policy holders regarding the coverage required by this section.
14 The notice shall be in writing and prominently positioned in any
15 literature or correspondence sent to policyholders and shall be
16 transmitted to policyholders within calendar year 2015 when
17 annual information is made available to members or in any other
18 mailing to members, but in no case later than December 31, 2015.

19 (c) Orthodontic services for treatment of orofacial
20 anomalies provided under this section shall be subject to a
21 maximum benefit of \$5,000 per treatment phase, but shall not be
22 subject to limits on the number of visits to an orthodontist.



1 After December 31, 2016, the insurance commissioner, on an
2 annual basis, shall adjust the maximum benefit for inflation
3 using the medical care component of the United States Department
4 of Labor Consumer Price Index for all urban consumers. The
5 commissioner shall publish the adjusted maximum benefit annually
6 no later than April 1 the following calendar year to health
7 insurance policies subject to this section. Payments made by an
8 insurer on behalf of a covered individual for any care,
9 treatment, intervention, or service other than orthodontic
10 services, shall not be applied toward any maximum benefit
11 established under this subsection.

12 (d) Coverage under this section may be subject to
13 copayment, deductible, and coinsurance provisions of a health
14 insurance policy that are no less favorable than the copayment,
15 deductible, and coinsurance provisions for other medical
16 services covered by the policy.

17 (e) This section shall not be construed as limiting
18 benefits that are otherwise available to an individual under a
19 health insurance policy.

20 (f) Coverage for treatment under this section shall not be
21 denied on the basis that the treatment is habilitative or non-
22 restorative in nature.



1 (g) As of January 1, 2016, to the extent that this section
2 requires benefits that exceed the essential health benefits
3 specified under section 1302(b) of the Patient Protection and
4 Affordable Care Act of 2010 (P.L. 111-148), the specific
5 benefits that exceed the specified essential health benefits
6 shall not be required of a qualified health plan when the plan
7 is offered in this State through the Hawaii health insurance
8 exchange by a health carrier. Nothing in this subsection shall
9 nullify the application of this section to plans offered outside
10 the exchange.

11 (h) As used in this section, unless the context clearly
12 requires otherwise:

13 "Health insurance policy" means an individual or group or
14 accident and health or sickness insurance policy or subscriber
15 contract or certificate issued by an insurance entity subject to
16 this section.

17 "Orofacial anomalies" means cleft lip or cleft palate and
18 other birth defects of the mouth and face affecting functions
19 such as eating, chewing, speech, and respiration.

20 "Orthodontic services" mean direct or consultative services
21 provided by a licensed orthodontist.



1 "Treatment for orofacial anomalies" includes the care
2 prescribed, provided, or ordered for an individual diagnosed
3 with an orofacial anomaly by a craniofacial team that includes a
4 licensed dentist, orthodontist, oral surgeon, and physician, and
5 is coordinated between specialists and providers."

6 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
7 amended by adding a new section to article 1 to be appropriately
8 designated and to read as follows:

9 "§432:1- Orthodontic services for orofacial anomalies,
10 benefits and coverage; notice. (a) Notwithstanding any law to
11 the contrary, each health insurance policy, contract, or
12 agreement issued or renewed in this State after December 31,
13 2014, shall provide to the member and individuals under twenty-
14 six years of age covered under the service plan, policy,
15 contract, or agreement, coverage for medically necessary
16 orthodontic services for the treatment of orofacial anomalies.

17 (b) Every mutual benefit society shall provide written
18 notice to its members regarding the coverage required by this
19 section. The notice shall be in writing and prominently
20 positioned in any literature or correspondence sent to members
21 and shall be transmitted to members within calendar year 2015



1 when annual information is made available to members or in any
2 other mailing to members, but in no case later than December 31,
3 2015.

4 (c) Coverage provided under this section shall be subject
5 to a maximum benefit of \$5,000 per treatment phase but shall not
6 be subject to any limits on the number of visits to an
7 orthodontist. After December 31, 2016, the insurance
8 commissioner, on an annual basis, shall adjust the maximum
9 benefit for inflation, using the medical care component of the
10 United States Department of Labor Consumer Price Index for all
11 urban consumers. The commissioner shall publish the adjusted
12 maximum benefit annually no later than April 1 of each calendar
13 year, which shall apply during the following calendar year to
14 health insurance policies subject to this section. Payments
15 made by a mutual benefit society on behalf of a covered
16 individual for any care, treatment, intervention, service, or
17 item, the provision of which was for the treatment of a health
18 condition unrelated to the covered individual's orofacial
19 anomaly, shall not be applied toward any maximum benefit
20 established under this subsection.

21 (d) Coverage under this section shall be subject to
22 copayment, deductible, and coinsurance provisions of a health



1 insurance policy to the extent that other medical services
2 covered by the policy are subject to these provisions.

3 (e) This section shall not be construed as limiting
4 benefits that are otherwise available to an individual under a
5 health insurance policy.

6 (f) As used in this section, unless the context clearly
7 requires otherwise:

8 "Health insurance policy" means an individual or group
9 accident and health or sickness insurance policy or subscriber
10 contract or certificate issued by a mutual benefit society
11 subject to this section.

12 "Orofacial anomalies" means cleft lip or cleft palate and
13 other congenital anomalies of the mouth and face affecting
14 functions such as eating, chewing, speech, and respiration.

15 "Orthodontic services" means direct or consultative
16 services provided by a licensed orthodontist.

17 "Treatment for orofacial anomalies" includes the care
18 prescribed, provided, or ordered for an individual diagnosed
19 with an orofacial anomaly by a craniofacial team that includes a
20 licensed dentist, orthodontist, oral surgeon, and physician, and
21 is coordinated between specialists and providers."



1 SECTION 4. Section 432D-23, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§432D-23 Required provisions and benefits.

4 Notwithstanding any provision of law to the contrary, each
5 policy, contract, plan, or agreement issued in the State after
6 January 1, 1995, by health maintenance organizations pursuant to
7 this chapter, shall include benefits provided in sections
8 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116, 431:10A-
9 116.5, 431:10A-116.6, 431:10A-119, 431:10A-120, 431:10A-121,
10 431:10A-125, 431:10A-126, 431:10A-122, [~~and~~] 431:10A-116.2, and
11 431:10A- , and chapter 431M."

12 SECTION 5. The coverage and benefit to be provided by a
13 health maintenance organization under section 4 of this Act
14 shall begin for all policies, contracts, plans, or agreements
15 issued in this State by a health maintenance organization after
16 December 31, 2014.

17 SECTION 6. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 7. This Act shall take effect upon its approval.

20

INTRODUCED BY:



JAN 23 2014



Report Title:

Insurance Coverage; Orthodontic Services; Orofacial Anomalies

Description:

Requires each individual or group accident and health or sickness insurance policy issued or renewed after December 31, 2014, to provide coverage for medically necessary orthodontic services for the treatment of orofacial anomalies.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

