HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO PROVIDE COVERAGE FOR MEDICALLY NECESSARY TREATMENT OF OROFACIAL ANOMALIES.

WHEREAS, in Hawaii, the percentage of children with orofacial anomalies is estimated to be one in every 500; and

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WHEREAS, the percentage of children in Hawaii with orofacial anomalies is higher among Asians, Pacific Islanders, and Filipinos, who constitute the majority of the State's population; and

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WHEREAS, the more commonly known orofacial anomalies include cleft lip or cleft palate; and

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WHEREAS, 352 babies were born with cleft lip or cleft palate in Hawaii between 1986 and 2005; and

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WHEREAS, orthodontics provides the medically necessary treatment needed to proceed with subsequent reconstructive surgeries for these disorders; and

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WHEREAS, orthodontics has been a covered medical benefit of the Medicaid program in Hawaii for several years, and medically necessary orthodontics is included as an essential health benefit under pediatric oral health in the State's healthcare benefits package; and

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WHEREAS, orthodontics is not included as a benefit of commercial health insurance; and

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29 30 WHEREAS, without appropriate orthodontic care, reconstructive surgical outcomes are compromised and result in functional deficiencies in chewing, swallowing, respiration,

speech, unstable or malpositioned oral structures, premature tooth loss, and adverse psychological effects; and

WHEREAS, these compromised surgical outcomes can create disparities in quality of care, quality of life, and functional outcomes for children with orofacial disorders; and

WHEREAS, California, Colorado, Connecticut, Florida, Indiana, Louisiana, Maryland, Massachusetts, Minnesota, New York, North Carolina, Oregon, South Carolina, Texas, Vermont, Virginia, and Wisconsin have mandated health benefits, including orthodontic care coverage for orofacial and related disorders; and

WHEREAS, mandated health benefits that include orthodontic care coverage for orofacial and related disorders offset the average lifetime cost of \$10,250 for orthodontic care; and

WHEREAS, section 23-51, Hawaii Revised Statutes, requires that "[b]efore any legislative measure that mandates health insurance coverage for specific health services, specific diseases, or certain providers of health care services as part of individual or group health insurance policies, can be considered, there shall be concurrent resolutions passed requesting the auditor to prepare and submit to the legislature a report that assesses both the social and financial effects of the proposed mandated coverage"; and

WHEREAS, section 23-51, Hawaii Revised Statutes, further provides that "[t]he concurrent resolutions shall designate a specific legislative bill that:

(1) Has been introduced in the legislature; and

(2) Includes, at a minimum, information identifying the:

(A) Specific health service, disease, or provider that would be covered;

(B) Extent of the coverage;

(C) Target groups that would be covered;

(D) Limits on utilization, if any; and

(E) Standards of care.

For purposes of this part, mandated health insurance coverage shall not include mandated optionals."; and

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

WHEREAS, House Bill No. 2522, introduced in the Regular Session of 2014, mandates health insurance coverage for the treatment of orofacial anomalies for individuals performed to:

(1) Correct or repair abnormal structures of the body, including but not limited to teeth, jaws, and related oral structures:

(2) Ensure good health and adequate dental structures; and

(3) Improve the function of the affected structures and systems,

for all policies and contracts, hospital and medical service plan contracts, medical service corporation contracts, and health maintenance organization plans and contracts issued on or after December 31, 2014; and

WHEREAS, the Legislature believes that mandatory health insurance coverage for medically necessary treatment of orofacial anomalies will substantially offset the financial hardship on families needing treatment for their children, reduce compromised surgical outcomes, and assist in good health for children born with orofacial abnormalities in Hawaii; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, the Senate concurring, that the Auditor is requested to conduct an impact assessment report in accordance with sections 23-51 and 23-52, Hawaii Revised Statutes, of

mandating health insurance coverage of orofacial anomalies as proposed by House Bill No. 2522 (Regular Session of 2014); and

BE IT FURTHER RESOLVED that the Auditor is requested to submit a report on the Auditor's findings and recommendations, including any necessary implementing legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to:

(1) The Auditor;

(2) The Insurance Commissioner, who is requested to transmit copies to each insurer in the State that issues health insurance policies; and

(3) The Director of Health, who is requested to transmit copies to the Children with Special Health Needs Branch of the Department of Health, Hawaii State Council on Developmental Disabilities, Lifetime of Smiles Family Support Group, Kapi'olani Cleft and Craniofacial Center, Kaiser Permanente Cleft Palate Clinic, Tripler Army Medical Center Craniofacial Center, Hawaii Maternal & Child Health Leadership Education in Neurodevelopmental & Related Disabilities Program, Hilopa'a Family to Family Health Information Center, and American Academy of Pediatrics - Hawaii Chapter.

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