
A BILL FOR AN ACT

RELATING TO SUBSTANCE ABUSE TREATMENT.

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

1 SECTION 1. The legislature finds that the federal Patient
2 Protection and Affordable Care Act of 2010 encourages states to
3 develop innovative approaches to the delivery of integrated
4 health services. The legislature further finds that Hawaii has
5 a bold history as an innovator in ensuring that its residents
6 have access to health care. The Hawaii Prepaid Health Care Act
7 and the State's medicaid program have provided access to
8 comprehensive managed care for low-income families. The State
9 can create more effective alternative solutions for affordable
10 health care, however, by better integrating public health
11 systems in order to balance public health care needs with the
12 associated costs to the State.

13 The overall fiscal costs and burden of substance use
14 disorders with co-occurring mental health disorders on Hawaii's
15 public health care system are unsustainable. Studies indicate
16 that a small percentage of patients in the United States consume
17 a disproportionate share of health care resources. Known as
18 "super users", this one per cent of the population consumes



1 twenty-one per cent of the nearly \$1,300,000,000,000 spent each
2 year on health care nationwide, according to a 2013 report from
3 the Agency for Healthcare Research and Quality. In Hawaii, it
4 has been reported that about five per cent of the medicaid
5 population accounts for about forty-nine per cent of the State's
6 annual health care costs. Considering the 2015 MedQUEST budget,
7 this means about sixteen thousand people on MedQUEST cost over
8 \$1,000,000,000.

9 Super users' most common conditions involve multiple
10 illnesses, one of which is often substance abuse. Similarly,
11 patients who frequent emergency departments tend to suffer
12 chronic illnesses or have multiple psychosocial risk factors
13 such as substance abuse, mental illness, or homelessness. The
14 commonality among most super users is that they lack the social
15 network to help them coordinate their aftercare. For example,
16 many super users do not have a regular physician, so whenever
17 medical care is necessary they turn to the community hospital,
18 which is often the most expensive and least efficient type of
19 care for their needs.

20 The legislature finds that while the costly cycle of
21 substance abuse is currently a financial burden on the State's



1 health care system, it is also a treatable disease worthy of
2 more attention and resources. Recent discoveries in the science
3 of addiction have led to significant advances in drug abuse
4 treatment that help people successfully manage their addiction
5 and resume productive lives. While the social welfare factors
6 that contribute to addiction present a complex problem, research
7 indicates that treatment for substance use disorders can be
8 effective and reduce costs to the health care and criminal
9 justice systems. Research shows that about seventy per cent of
10 addiction and mental health costs can be averted by effectively
11 providing relevant treatment before the onset of more serious
12 chronic conditions. Treating all of super users' complex issues
13 in an integrated way is a sound social investment because it
14 effectively reduces duplication and overutilization. Recent
15 studies have proven that every \$1 spent on treatment saves \$4 in
16 health costs.

17 Therefore, the purpose of this Act is to:

- 18 (1) Establish a task force within the department of health
19 to address health care payment reform and reduce
20 health care costs by implementing an effective
21 substance abuse treatment system; and



1 (2) Appropriate moneys for the department of health to
2 convene the task force.

3 SECTION 2. (a) The department of health shall convene a
4 task force to address health care and payment reform steps to
5 implement an effective addiction treatment system as a component
6 of health care to improve outcomes and reduce overall health
7 care costs.

8 (b) The task force shall:

9 (1) Provide multi-disciplinary teams to review and
10 recommend policy changes in state and insurer systems
11 for substance use disorders;

12 (2) Utilize the federal model of recovery-oriented system
13 of care as outlined by the Substance Abuse and Mental
14 Health Services Administration;

15 (3) Continue to integrate primary health care with
16 addiction treatment by providing education and
17 training to primary care providers on screening, brief
18 interventions for mild or moderate substance use
19 disorder conditions, and referrals to specialized
20 substance use disorder treatment for moderate to
21 chronic conditions;



- 1 (4) Develop a treatment program for mild to moderate
2 conditions for substance use disorders and co-
3 occurring disorders;
- 4 (5) Support transitional care management for emergency
5 rooms to deal with patients with chronic substance use
6 disorder or co-occurring disorders;
- 7 (6) Ensure Quest members and uninsured patients have
8 adequate access to all modalities of substance abuse
9 treatment, including residential, day treatment, and
10 outpatient treatment that meets minimum levels of
11 utilization according to medical necessity;
- 12 (7) Develop offender re-entry programs that target
13 offenders with chronic substance use disorders or co-
14 occurring disorders so that needed services can be
15 accessed immediately;
- 16 (8) Design payment reform models for reimbursement that
17 adequately address the complex care needed for super
18 users or other chronic conditions of substance use
19 disorders or co-occurring disorders and that promote
20 collaboration and consider risk adjustments; and



- 1 (9) Determine the additional amount of funding needed to
2 improve outcomes and reduce overall health care
3 spending by providing funding for all modalities,
4 including residential, day treatment, intensive
5 outpatient, outpatient, and aftercare, for substance
6 use disorders, co-occurring disorders, criminality,
7 dual services, case management, peer mentoring, and
8 recovery-oriented services.
- 9 (c) The task force shall consist of the following members:
- 10 (1) The director of health or the director's designee, who
11 shall serve as the chairperson of the task force;
- 12 (2) One member of the house of representatives, to be
13 appointed by the speaker of the house of
14 representatives;
- 15 (3) One member of the senate, to be appointed by the
16 president of the senate;
- 17 (4) The director of human services or the director's
18 designee;
- 19 (5) The director of public safety or the director's
20 designee;



- 1 (6) One member representing the Hawaii Substance Abuse
- 2 Coalition, to be invited by the chairperson of the
- 3 task force;
- 4 (7) One member representing the Hawaii Medical
- 5 Association, to be invited by the chairperson of the
- 6 task force;
- 7 (8) One member representing the University of Hawaii John
- 8 A. Burns school of medicine's psychiatric department;
- 9 (9) One member representing a Hawaii inpatient or
- 10 emergency room hospital, to be invited by the
- 11 chairperson of the task force; and
- 12 (10) Any other member as assigned by the task force.
- 13 (d) The members of the task force shall serve without pay
- 14 but shall be reimbursed for their actual and necessary expenses,
- 15 including travel expenses, incurred in carrying out their
- 16 duties.
- 17 (e) The department of health shall submit to the
- 18 legislature a:
- 19 (1) Preliminary report concerning the progress made by the
- 20 task force in improving substance use disorder and co-
- 21 occurring disorder treatment no later than twenty days



1 prior to the convening of the regular session of 2016;
2 and
3 (2) Final report of findings and recommendations,
4 including any proposed legislation, no later than
5 twenty days prior to the convening of the regular
6 session of 2017.

7 SECTION 3. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so much
9 thereof as may be necessary for fiscal year 2015-2016 and the
10 same sum or so much thereof as may be necessary for fiscal year
11 2016-2017 for the department of health to convene a task force
12 pursuant to section 2 of this Act.

13 The sums appropriated shall be expended by the department
14 of health for the purposes of this Act.

15 SECTION 4. This Act shall take effect on July 1, 2050, and
16 shall be repealed on June 30, 2017.



Report Title:

Substance Abuse Treatment; DOH; Task Force; Appropriation

Description:

Establishes within the DOH a task force for improving substance use disorder and co-occurring disorder treatment. Makes an appropriation. Effective 7/1/2050. Repeals 6/30/2017. (SD2)

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