

Honolulu, Hawaii

APR 07 2017

RE: H.B. No. 235  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 235, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to address the coverage of acupuncture treatments provided under motor vehicle insurance.

More specifically, this measure:

- (1) Clarifies that the authorized benefit for acupuncture treatments allowed under personal injury protection benefits shall be tied to the charges, and subsequent increases in charges, permissible under the Workers' Compensation Supplemental Medical Fee Schedule; and
- (2) Clarifies that the number of acupuncture treatments allowed under personal injury protection benefits may not exceed thirty visits, and that the visits shall be counted separately from naturopathic or chiropractic visits.

Your Committee received written comments in support of this measure from Hawaii Oriental Medicine and Acupuncture Association,



Institute of Clinical Acupuncture and Oriental Medicine, Windward Acupuncture, Maui Acupuncture, and six individuals.

Your Committee received written comments in opposition to this measure from State Farm Mutual Automobile Insurance Company, Hawaii Insurers Council, and Property Casualty Insurers Association of America.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that licensed acupuncturists provide citizens with an important and popular form of treatment. While acupuncture treatments are covered under the personal injury protection benefits of motor vehicle insurance, the reimbursement rate for licensed acupuncturists under this insurance has not increased for nearly two decades. Tying the authorized benefit for acupuncture treatments allowed under personal injury protection benefits to the charges permissible under the Workers' Compensation Supplemental Medical Fee Schedule will result in periodic fee adjustments for licensed acupuncturists.

Your Committee notes the following concerns regarding this measure:

- (1) The Hawaii Revised Statutes currently caps the combined number of naturopathic, chiropractic, and acupuncture treatments allowed under personal injury protection benefits at thirty visits per year. By removing acupuncture treatments from this list but still allowing up to thirty covered acupuncture treatments, the number of total treatments covered by an insurance policy is doubled from thirty to sixty. The State Insurance Commissioner notes that the doubling of allowed visits will likely lead to across-the-board increased costs to all motor vehicle insurance policyholders; and
- (2) Untying the covered number of acupuncture treatments from the combined number of covered naturopathic and chiropractic treatments may set a precedent for covering a specific amount of visits for individual types of treatment rather than bundling the covered treatments.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 235, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



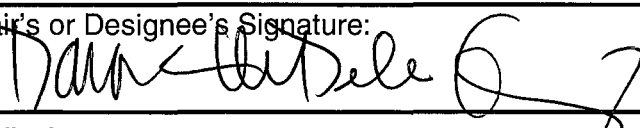
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JILL N. TOKUDA, Chair



The Senate  
 Twenty-Ninth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 235, HD1, SD1	CPH, WAM	3/31/17		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
KAHELE, Kaiali'i	/			
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.				/
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
<b>TOTAL</b>	10			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes