

Honolulu, Hawaii

FEB 07 2017

RE: S.B. No. 225  
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 Commerce, Consumer Protection, and Health,  
to which was referred S.B. No. 225 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH COVERAGE FOR BRAIN  
INJURIES,"

begs leave to report as follows:

The purpose and intent of this measure is to add a mandated health insurance benefit for the treatment of brain injuries, including cognitive and neurocognitive therapy, neurobehavioral and neuropsychological testing or treatment, and necessary post-acute transition services or community reintegration activities for up to twenty years from the date the injury occurred and up to a lifetime cap per person of \$300,000.

Your Committee received testimony in support of this measure from the Hawaii Disability Rights Center and four individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Human Services, Hawaii Medical Service Association, Kaiser Permanente Hawaii, American Council of Life Insurers, and American Family Life Assurance Company of Columbus.

Your Committee finds that traumatic brain injury is damage to the brain caused by an external force. Traumatic brain injury may produce a diminished or altered state of consciousness and may result in an impairment of cognitive abilities or physical functioning. Although immediate acute care for traumatic brain injury survivors has not generally been an issue, survivors face a



long rehabilitation process that may not be covered by certain health insurance plans.

Your Committee has heard the concerns that this measure references a broad category of therapy and services available to survivors of an "acquired brain injury", which is itself a broad reference generally applicable to all brain injuries that occur later in life. Your Committee understands that these overly broad references may create difficulties for health insurers who need to identify diagnoses and treatments for claims and coverage purposes. Amendments to this measure are therefore needed to provide more specificity regarding the type of brain injury and treatment intended to be covered by this measure.

Your Committee further finds that a 2004 report from the Office of the Auditor reported an inconclusive finding regarding mandated coverage for cognitive rehabilitation. However, since that time, a range of studies on the treatment of traumatic brain injuries have been published. Your Committee concludes that an updated review of the 2004 Auditor's report is warranted.

Your Committee has amended this measure by:

- (1) Clarifying that the required health insurance coverage is for cognitive rehabilitation therapy for survivors of traumatic brain injury;
- (2) Amending the definition of "cognitive rehabilitation therapy" to mirror a definition developed by the Brain Injury Interdisciplinary Special Interest Group of the American Congress of Rehabilitation Medicine;
- (3) Specifying that insurers in the State shall provide coverage for cognitive rehabilitation therapy after December 31, 2018;
- (4) Specifying that coverage shall be for cognitive rehabilitation therapy that is medically necessary;
- (5) Clarifying that the proposed coverage shall not apply to limited benefit health insurance;
- (6) Requesting the Auditor, rather than the Department of Commerce and Consumer Affairs, to conduct a follow up analysis to the 2004 Auditor's report, "Assessment of



Proposed Mandatory Health Insurance for Cognitive Rehabilitation" and report to the Legislature prior to the convening of the Regular Session of 2018; and

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 225, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 225, S.D. 1, and be referred to your Committee on Ways and Means.

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



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ROSALYN H. BAKER, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce, Consumer Protection, and Health**  
**CPH**

Bill / Resolution No.:* <b>SB 225</b>	Committee Referral: <b>CPH, WAM</b>	Date: <b>1/27/17</b>		
<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
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
KIDANI, Michelle N.				/
RUDERMAN, Russell E.	/			
<b>TOTAL</b>	<b>5</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Clarence K. Nishihara</i></div>				
<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