H.B. NO. <sup>1705</sup> H.D. 2

## A BILL FOR AN ACT

RELATING TO HEALTH COVERAGE FOR PORT-WINE STAINS.

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

SECTION 1. The legislature finds that port-wine stain is a
 discoloration of the human skin caused by a vascular anomaly,
 namely a capillary malformation in the skin. A port-wine stain
 is usually a birthmark but in rare cases it can develop in early
 childhood. Studies have recorded an incidence of three-to-five
 cases per thousand newborn babies. Port-wine stains ordinarily
 persist throughout life.

8 Port-wine stains occur most often on the face but can 9 appear anywhere on the body, particularly on the neck and upper 10 trunk. If the port-wine stain is on the face or other highly 11 visible part of the body, its presence can also cause emotional 12 and social problems for the affected person. Early stains are 13 usually flat and pink in appearance and as the child matures, 14 the color may deepen to a dark red or purplish color. In 15 adulthood, thickening of the lesion or the development of small 16 lumps may occur. In the absence of successful treatment, 17 hypertrophy, which is increased tissue mass of the stain, may

### HB1705 HD2 HMS 2018-1939

Page 2

## H.B. NO. <sup>1705</sup> H.D. 2

1 cause problems later in life such as loss of proximate organ
2 function especially near the eye or mouth, bleeding, and
3 increasing disfigurement. Lesions on or near the eyelid can be
4 associated with glaucoma. When port-wine stain proliferates
5 around the eyelid, it may cause ectropion, the downward pulling
6 of the lower eyelid, which may lead to corneal abrasion and loss
7 of vision.

8 The purpose of this Act is to require the auditor to 9 conduct a study to assess the social and financial effects of 10 requiring health insurers, hospital and medical services plans, 11 and health maintenance organizations to provide coverage for 12 medical procedures to eliminate or provide maximum feasible 13 treatment of port-wine stains.

SECTION 2. (a) The auditor shall conduct a study to assess the impact of the social and financial effects of requiring health insurers, hospital and medical services plans, and health maintenance organizations to provide coverage for medical procedures to eliminate or provide maximum feasible treatment of port-wine stains, as provided in H.B. 1705 H.D. 1, Regular Session of 2018.

### HB1705 HD2 HMS 2018-1939

# H.B. NO. <sup>1705</sup> H.D. <sup>2</sup>

1	(b)	Pursuant to section 23-52, Hawaii Revised Statutes, in
2	determini	ng the social impact of the proposed mandate of health
3	coverage,	the study shall include:
4	(1)	The extent to which the treatment or service is
5		generally utilized by a significant portion of the
6		population;
7	(2)	The extent to which such insurance coverage is already
8		generally available;
9	(3)	If coverage is not generally available, the extent to
10		which the lack of coverage results in persons being
11		unable to obtain necessary health care treatment;
12	(4)	If the coverage is not generally available, the extent
13		to which the lack of coverage results in unreasonable
14		financial hardship on those persons needing treatment;
15	(5)	The level of public demand for the treatment or
16		service;
17	(6)	The level of public demand for individual or group
18		insurance coverage of the treatment or service;
19	(7)	The level of interest of collective bargaining
20		organizations in negotiating privately for inclusion
21		of this coverage in group contracts;

HB1705 HD2 HMS 2018-1939

Page 4

# H.B. NO. <sup>1705</sup> H.D. 2

1	(8)	The impact of providing coverage for the treatment or
2		service (such as morbidity, mortality, quality of
3		care, change in practice patterns, provider
4		competition, or related items); and
5	(9)	The impact of any other indirect costs upon the costs <sup>,</sup>
6		and benefits of coverage as may be deemed necessary by
7		the auditor.
8	(c)	Pursuant to section 23-52, Hawaii Revised Statutes, in
9	determinin	ng the financial impact of the proposed mandate of
10	health cov	verage, the study shall include:
11	(1)	The extent to which insurance coverage of the kind
12		proposed would increase or decrease the cost of the
13		treatment or service;
14	(2)	The extent to which the proposed coverage might
15		increase the use of the treatment or service;
16	(3)	The extent to which the mandated treatment or service
17		might serve as an alternative for more expensive
18		treatment or service;
19	(4)	The extent to which insurance coverage of the health
20		care service or provider can be reasonably expected to



Page 5

## H.B. NO. <sup>1705</sup> H.D. <sup>2</sup>

increase or decrease the insurance premium and
 administrative expenses of policyholders; and
 (5) The impact of this coverage on the total cost of
 health care.

5 (d) The auditor shall submit findings and recommendations,
6 including any proposed legislation, to the legislature no later
7 than twenty days prior to the convening of the regular session
8 of 2019.

9 SECTION 3. There is appropriated out of the general 10 revenues of the State of Hawaii the sum of \$ or so much 11 thereof as may be necessary for fiscal year 2018-2019 for the 12 auditor to assess the impact of the social and financial effects 13 of requiring health insurers, hospital and medical services 14 plans, and health maintenance organizations to provide coverage 15 for medical procedures to eliminate or provide maximum feasible 16 treatment of port-wine stains.

17 The sum appropriated shall be expended by the auditor for18 the purposes of this Act.

19

SECTION 4. This Act shall take effect on July 1, 3000.



## H.B. NO. <sup>1705</sup> H.D. <sup>2</sup>

#### Report Title:

Auditor; Study; Mandated Coverage; Port-wine Stains; Appropriation

#### Description:

Requires the auditor to conduct a study to assess the social and financial impacts of mandating certain health insurers and plans to provide coverage for treatment of port-wine stains. (HB1705 HD2)

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

