

# SB823

Measure Title: RELATING TO NATUROPATHIC PHYSICIANS.  
Report Title: Naturopathic Physicians; Health Insurance; Primary Care  
Description: Requires insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations to provide coverage for health care services provided by a naturopathic physician.  
Companion:  
Package: None  
Current Referral: CPH, WAM  
Introducer(s): RUDERMAN, GABBARD, Baker, Espero, Ihara, K. Rhoads



Testimony of  
John M. Kirimitsu  
Legal & Government Relations Consultant

Before:  
Senate Committee on Commerce, Consumer Protection, and Health  
The Honorable Rosalyn H. Baker, Chair  
The Honorable Clarence K. Nishihara, Vice Chair  
February 14, 2017  
9:00 am  
Conference Room 229

**Re: SB 823 Relating to Naturopathic Physicians**

Chair, Vice Chair, and committee members thank you for this opportunity to provide testimony on bill relating to mandating coverage for naturopathic physicians.

**Kaiser Permanente Hawaii opposes this bill.**

**I. Kaiser Permanente Agrees With The Auditor's Conclusion That An Insurance Mandate For Naturopathic Coverage Is Unnecessary.**

In 1989, the state auditor completed its study on mandating naturopathic insurance coverage and *opposed* the naturopath mandate since "There is no evidence of a significant demand or need to require insurers to include naturopathic coverage in their plans." The complete Office of the Auditor Report and its findings may be viewed at <http://files.hawaii.gov/auditor/Reports/1980-1989/89-25.pdf>. Notably, the auditor concluded:

- "Utilization of naturopathic care is low, primarily because of the limited number of naturopathic physicians." See Audit Report, Overview, Pg. 3.
- "There is no evidence of public demand for insurance coverage of naturopathic services." See Audit Report, Overview, Pg. 3.
- "There is no evidence that people are kept from obtaining naturopathic treatment or suffer financial harm because of the lack of insurance coverage." See Audit Report, Overview, Pg. 3.

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As such, Kaiser Permanente agrees with the auditor's conclusion that the naturopath insurance mandate is not necessary. Kaiser Permanente already offers naturopathic services that is covered under a rider administered by a third party administrator, American Specialty Health - who also administers riders for chiropractic, massage therapy, and acupuncture services.

## **II. Mandating Insurance Coverage For Naturopathic Services Implies Clinical Parity Which Is Inaccurate.**

In its response to the Auditor's Report in 1989, the Department of Health (DOH) concluded that "We believe that mandating the coverage of naturopathy would not be in the best interest of the public." See DOH's Response to Auditor's Report (1989), attached hereto. In support of its findings, DOH noted the distinctions between NDs and MDs:

*In short, the training and interpretive capabilities of naturopaths are not those required and expected of doctors of medicine, and the services rendered cannot be equated. They are different. . . .*

*There appears to be a concerted effort by naturopaths to "prove" that naturopath training and services are equivalent to those of medical doctors. We believe that any proposal to include naturopaths in the definition of physician in the Prepaid Health Care Act, or any other definition of physician, would be unjustified and misleading to the public.*

As Hawaii's largest HMO, Kaiser Permanente's practice model is a unique closed system which is managed exclusively by the Hawaii Permanente Medical Group (HPMG). Similar to other health plans, Kaiser Permanente evaluates doctors for quality and safety before including them in its provider network. To accomplish its goal of delivering a high-value provider network, HPMG's medical practice model focuses on traditional conventional medicine (MDs), i.e. allopathic medicine, which is scientific evidenced based, with an emphasis on disease management. On the other hand, naturopath physicians (NDs) practice under a completely different medical model, i.e., naturopathic medicine which focuses more on non-invasive wellness, with an emphasis on treating the person, not the disease. Consistent with the DOH's findings that NDs and MDs are not equivalent, some other notable distinctions between NDs and MDs are:

- **Scope of Practice:** MDs have a higher scope of practice than NDs. Only MDs are licensed to perform "major" surgery. Major surgery is defined as entering the abdominal cavity, spinal cavity, or the brain. Also, NDs do not have the same prescriptive authority as MDs, i.e., some grossly addictive narcotic pain medications, and a few non-narcotic prescription medications can only be prescribed by MDs.
- **Education:** MDs have a higher quality of education than NDs. MDs' scope and depth of clinical experience for medical schools are much greater because medical school clinics encompass the full gamut of disease. Unlike MDs, NDs are trained in four-year naturopathic medical schools. The first two years of naturopathic medical school in the biomedical sciences may be similar to that of conventional medical

school, but the second two years of naturopathic schooling emphasizes clinical education in natural therapeutics, whereby graduates receive the degree of Doctor of Naturopathic Medicine (ND).

- Postgraduate Training: MDs have higher postgraduate training than NDs. Some naturopathic graduates take an additional year of postgraduate training where they work in an outpatient setting. However, most go directly into practice. Nearly all medical school graduates undergo 3-6 years of additional full-time specialty training that includes work with hospital inpatients. Also, NDs cannot apply to ACGME accredited postgraduate training programs because an MD or DO degree is required.
- Credentialing: NDs are *not* credentialed in the same manner that MDs are since the scope of practice of NDs is not uniform nationwide.
- Continuing Education Requirements: ND licensing accepts MD credits, but MD licensing does not accept CE credits from naturopathic conferences.

Based on the notable disparities between NDs and MDs, Kaiser Permanente does not include NDs as primary care physicians within its medical practice model, but does believe that NDs can be best utilized in a collaborative manner, with its MDs and other practitioners in patient care. Despite the obvious distinctions between NDs and MDs, this bill is attempting to force insurers to offer parity of coverage between NDs and MDs, i.e., “to the extent that the policy provides benefits for identical services rendered by another health care provider.” Allowing such a parity of coverage would force the inclusion of NDs into Kaiser Permanente’s closed network, which would directly interfere with Kaiser Permanente’s medical practice model, i.e. conventional medicine, and more importantly, compromise patient safety.

### **III. If The Legislature Decides To Move This Bill Forward, Kaiser Permanente Requests An Updated Audit Study.**

To address the current financial and social impact of this proposed mandate for ND coverage (to determine if there are any changes since the last audit in 1989), Kaiser Permanente requests an updated legislative audit, as required pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes.

Thank you for the opportunity to comment.

ATTACHMENT 2

JOHN WAIHEE  
GOVERNOR OF HAWAII



JOHN C. LEWIN, M.D.  
DIRECTOR OF HEALTH

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P. O. BOX 3378  
HONOLULU, HAWAII 96801

In reply, please refer to:  
File: MedH-HMF

November 28, 1989

RECEIVED

Nov 29 10 49 AM '89

OFFICE OF THE AUDITOR  
STATE OF HAWAII

To: Mr. Newton Sue, Acting Auditor  
Legislative Auditor's Office

From: Director of Health

Subject: **Response to the Legislative Auditor's Study of  
Mandatory Health Insurance for Naturopathic Care**

The Department agrees with the Legislative Auditor that mandating health insurance coverage in a piecemeal fashion is not the best solution for solving jurisdictional or social problems. We believe that mandating the coverage of naturopathy would not be in the best interests of the public. We do feel the need to amplify and expand on the draft report's coverage. We believe that the report does not accurately reflect on the real differences between naturopathy on the one hand and physicians licensed under Chapter 453 and 460, HRS.

The draft report on the background of Naturopathy and the training and practices of naturopaths appears to have been written on the assumption that naturopathic practitioners are equivalent to physicians licensed under Chapters 453 and 460, HRS, with respect to their education, training, and capabilities. Since the proposal is that treatment given by naturopaths be covered on the same basis as treatment by medical doctors, this bears consideration. There are several areas of the draft report which rather vaguely imply training is equivalent to physicians trained in schools of medicine and may, consequently, be misleading.

For example on page 6 it is said that "naturopaths use standard methods to diagnose ailments. They take medical histories, order laboratory tests, and do physical examinations." This seems to imply that they proceed in these matters just as physicians licensed under Chapters 453 and 460, HRS, do.

On page 7, a statement is made that the first two years of study in a naturopathy college "cover basic medical sciences." It then states that the curriculum emphasizes nutrition and botanical medicines." The word "cover" is unfortunate and would seem misleading, as these

Mr. Newton Sue, Acting Auditor/2

are not the basic sciences of gross anatomy, neurology, physiology, microanatomy, chemistry, pharmacology, pathology, and other basic science subjects required of medical students. Similarly, the array of diagnostic procedures and the depth of training in interpreting laboratory tests and physical findings is different in naturopathy.

On page 6 the draft report says "naturopaths may perform minor surgery and x-rays; however, these practices are prohibited under Hawaii law." The training and capabilities of naturopaths have been considered at length by the last two Legislatures, and it was concluded that it was not in the best interests of the health and safety of the people of Hawaii to permit naturopaths to perform any surgery or to take x-rays. Hence, they may not perform surgery or take x-rays.

In short, the training and interpretive capabilities of naturopaths are not those required and expected of doctors of medicine, and the services rendered cannot be equated. They are different.

The report states that naturopaths said that the mandated coverage "would only provide coverage . . . on the same basis as treatment by a medical doctor." It says that naturopaths claim "the problem is that the State's Prepaid Health Care Act does not define the term 'licensed physician' to include naturopathic physicians."

Then it states that a "number of insurers on the mainland cover naturopathic physicians, and other licensed health care providers such as chiropractors by including them in their definition of physician."

There appears to be a concerted effort by naturopaths to "prove" that naturopath training and services are equivalent to those of medical doctors. We believe that any proposal to include naturopaths in the definition of physician in the Prepaid Health Care Act, or any other definition of physician, would be unjustified and misleading to the public.

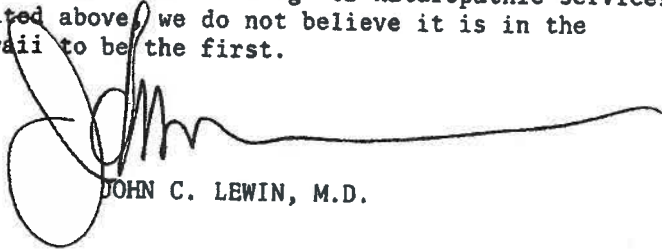
The report further indicates that a growing number of naturopaths reflects an increased interest in naturopathy and this may be a reason for mandating coverage. While there is much more interest in relating to our natural surroundings and enhancing our health through natural means, this philosophy encompasses all levels of medicine. One must also observe the fact that the number of states now licensing naturopaths continues to decline and is currently limited to: Connecticut, Arizona, Washington, Oregon, and Hawaii. With 40-50 new graduates each year from the two schools that exist, one in Oregon and one in Washington, the numbers are bound to increase in those states authorizing the practice.

We agree with the draft report that finds no evidence of public demand for coverage of naturopathic services.

Mr. Newton Sue, Acting Auditor/3

While the financial impact of coverage would be little, according to the draft report, we believe that the piecemeal mandate of such a service would add unnecessarily to the administrative burdens of insurance carriers.

No state in the nation mandates coverage of naturopathic services. For the reasons elaborated above, we do not believe it is in the public interest for Hawaii to be the first.

A handwritten signature in black ink, appearing to read 'John C. Lewin', with a long horizontal flourish extending to the right.

JOHN C. LEWIN, M.D.



An Independent Licensee of the Blue Cross and Blue Shield Association

February 14, 2017

The Honorable Rosalyn H. Baker, Chair  
The Honorable Clarence K. Nishihara, Vice Chair  
Senate Committee on Commerce, Consumer Protection  
and Health

Re: SB 823 – Relating to Naturopathic Physicians

Dear Chair Baker, Vice Chair Nishihara, and Committee Members:

The Hawaii Medical Association (HMSA) appreciates the opportunity to testify on SB 823, which mandates healthcare coverage for services provided by naturopathic physicians. HMSA supports the intent of this Bill and we provide comments.

Last year, HMSA became the first health plan to include naturopathic physicians in its primary care provider network. This affords our members more and better access to the care they want.

Working with members of the Hawaii Society of Naturopathic Physicians, we were able to align the role of the naturopathic physicians with HMSA's vision of a transformed healthcare system for Hawaii. It is one where the health and wellbeing of the community is the focus of the healthcare system.

Thank you for allowing us to testify on SB 823.

Sincerely,

Mark K. Oto  
Director, Government Relations



**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, February 8, 2017 12:43 PM  
**To:** CPH Testimony  
**Cc:** catdrummer@hotmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/8/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lahela Hekekia	Individual	Oppose	No

Comments: SB823 is problematic in that it unconstitutionally infringes upon traditional cultural practices of La'au Lapa'au, with its important subset of Ho'ohanau (birthing). Our State legislature has historically passed a number of problematic laws making cultural practices illegal, such as requiring medical licenses for traditional Hawaiian practitioners, but importantly a lot of that was repealed in the 1960s. Moreover, although the state has dealt somewhat with traditional cultural practices through the ill-advised "Healers Law," under the medical licensure statute and the Acts enabling HRS 453-2(c) -- a looming problem remains and a full constitutional challenge has yet to be launched in the courts. HRS 453-2(c), requiring that all traditional cultural practitioners have an MD or DO license if not "certified" by the increasingly political "Kupuna Councils," or else be subject to felony charges for practicing "medicine" without a license, is going to be challenged at some point for unequal protection of the laws. Now, you have just added another complication by trying to make it a requirement for traditional cultural practitioners to get a separate license as a midwife. You know perfectly well that traditional cultural practitioners are not likely to go through the amount of Western schooling that would be required to get state licensing as a midwife (or for that matter, an MD or DO pursuant to the medical licensing statute). At least, it is arguable that the medical licensing statute in the most recent Act 153 of 2005 reiterated constitutional protections via Article 12, Section 7 of the Hawaii Constitution. However, notably, there is no provision that I can see in SB 823 reiterating constitutional protections for traditional cultural practices. As a Native Hawaiian Attorney I oppose this legislation as drafted.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

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February 11, 2017

Re: In support of SB823

Dear Chairs, Vice Chairs, and members of the Committees on CPH and WAM:

I am Michael Traub, a naturopathic physician practicing on the Big Island since 1985. I am an expert on healthcare policy as it relates to discriminatory practices by insurers.

I am testifying on behalf of the Hawaii Society of Naturopathic Physicians and the American Association of Naturopathic Physicians. We would like to urge your support for SB823.

Discrimination against any healthcare provider group is harmful to patients and restricts their ability to select the provider of their choice. The ability for patients to choose the licensed provider of their choice is integral to the intended full implementation of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act or ACA). SB823 would provide clarity that naturopathic physicians in Hawaii must be able to participate as in-network providers, and be compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the Affordable Care Act that states.

“A group health plan and a health insurance issuer offering group or individual health insurance coverage shall not discriminate with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider’s license or certification under applicable State law. This section shall not require that a group health plan or health insurance issuer contract with any health care provider willing to abide by the terms and conditions for participation established by the plan or issuer. Nothing in this section shall be construed as preventing a group health plan, a health insurance issuer, or the Secretary from establishing varying reimbursement rates based on quality or performance measures.”

The federal agencies responsible for this provision issued FAQ’s on April 29, 2013, that were replaced and superseded by FAQ’s on May 26, 2015 (see attached for your reference at end of this testimony).

Section 2706 of the Affordable Care Act became effective on January 1, 2014. Despite this federal law, insurance companies in Hawaii (Kaiser Permanente, UHA, HMAA) have continued discriminatory practices in their coverage for naturopathic medicine.

The State Insurance Commissioner stated in his testimony on an earlier version of this bill (SB1217SD1) on February 5, 2015 that “Section 2706 of the federal Public Health Service Act, as added by section 1201 of the federal Patient Protection and Affordable Care Act of 2010, prohibits such discrimination. Pursuant to section 431:2-201.5 (conformity to federal law), Hawaii Revised Statutes, these provisions already apply to Title 24 (insurance).” However, the Insurance Division has allowed insurers in Hawaii to continue their discriminatory practices, in clear contradiction to the federal law.

There has been virtually no enforcement of Section 2706 nationally as well as here in Hawaii. The vast majority of insurance companies are failing to comply with the law.

I have devoted countless hours over the past 3 years as chair of two committees on **national** organizations, trying to get this law implemented and enforced (American Association of Naturopathic Physicians 2706 team and Integrative Healthcare Policy Consortium Nondiscrimination Committee). I have made several trips to Washington DC, meeting with members of Congress and representatives of the three agencies with jurisdiction over this law: Department of Health and Human Services, the Department of Labor and the Treasury Department.

For over 30 years, I have worked on the **state** level toward what SB823 would do – correcting the unjust, unfair and discriminatory insurance practices perpetrated by the insurance companies in Hawaii.

I have met with several of you, and your colleagues, and appeared before legislative committees here for many years urging that you pass a state law such as this bill you are hearing today.

We have had several meetings in the last few years with state agencies responsible for insurance regulation, including the Insurance Commissioner, the Med Quest Director and Medical Director.

I have requested the Governor’s office to intercede in this matter, and received only an outdated opinion on Section 2706.

Two states have passed laws essentially making the provisions of Section 2706 law in their states (Oregon and Rhode Island).

Two lawsuits have been filed against insurers for discrimination against patients of naturopathic physicians and are in process (Oregon and California).

The status of insurance companies in Hawaii in regards to their discriminatory policies is as follows:

After several years of meeting with decision makers at **HMSA** in discussions about coverage of naturopathic medicine, I am happy to inform you that the largest healthcare insurer in this state **is now in compliance with not only Section 2706 of the ACA, but with a nondiscrimination provision in federal laws that applies to Medicare Advantage plans as well.**

Specifically, what this means is that as of last year naturopathic physicians are now credentialed by HMSA as primary care providers and participating providers, on an equal basis as medical doctors and osteopathic physicians. Furthermore, as of this year, **for the first time in the history of this nation**, naturopathic physicians are approved by Medicare to be reimbursed for providing covered Medicare Part B benefits to HMSA Akamai Advantage members.

**Medicare Part B covers** most medically necessary doctors' services, preventive care, prescription drugs, durable medical equipment, hospital outpatient services, laboratory tests, x-rays, mental health care, and some home health and ambulance services.

So why aren't the other insurers in Hawaii complying with this federal law? Apparently because they don't want to and they think they don't have to.

Representatives of **Kaiser Permanente** in Hawaii has continued to ignore every appeal made to meet and discuss their refusal to cover naturopathic medicine.. Their lobbyist has testified against previous bills (SB1217SD1) like this one, making a highly questionable argument that KP's blatant discriminatory policy does not constitute discrimination.

"As Hawaii's largest HMO, Kaiser Permanente's practice model is a closed system which is managed exclusively by the Hawaii Permanente Medical Group (HPMG). HPMG's medical practice model focuses on conventional medicine, which is scientific evidenced based, with an emphasis on disease management. NDs practice under a completely different medical model, with a focus more on non-invasive wellness, i.e. treatment of the person, rather than the disease. Therefore, this allopathic (conventional medicine) versus naturopathic (non-invasive wellness) distinction is a reasonable, non-discriminatory, reason for Kaiser Permanente to choose which providers should be included in its closed network." Testimony of John M. Kirimitsu Legal & Government Relations Consultant Before: House Committee on Health, March 18, 2015

Chiropractic and acupuncture are covered benefits in Kaiser. They are not considered allopathic and conventional medicine. Is it not discriminatory that they are covered, while naturopathic medicine is not?

KP is in violation of federal law.

**Hawaii Medical Assurance Association (HMAA)** is the only plan in the state that included NDs as participating providers for many years prior to the ACA. However, their policy has several discriminatory provisions that have not changed since Section 2706 became effective on January 1, 2014. I have met with HMAA regarding this issue but my continuing follow up has not resulted in

any changes to their policy, nor have I received any response to my phone and email messages sent in the past four years. The discriminatory provisions are as follows:

HMAA has a \$1000 annual maximum benefit that is shared by NDs, chiropractors and acupuncturists.

HMAA does not pay participating ND providers on the basis of CPT codes, like they do for allopathic physicians. Instead, they pay participating NDs a flat \$45 for office visits, regardless of what level of service is provided in the encounter.

These practices are clearly prohibited by Section 2706, which states that insurers “shall not discriminate with respect to participation under the plan” and allows varying reimbursement rates **only on the following basis**: “....nothing in PHS Act section 2706(a) prevents a group health plan, a health insurance issuer, or the Secretary from establishing varying reimbursement rates based on quality or performance measures.”

This is discriminatory and violating federal law.

**University Health Alliance (UHA)** continues to be intransigent in its opposition to opening its participating provider network to naturopathic physicians and is denying payment on virtually every claim submitted.

On January 15, 2016, Dr. Landon Oponui one of the only 4 NDs in the state who were credentialed as participating providers (before the network was closed), had a meeting with George McPheeters, MD, Medical Director of UHA and a few different department heads to discuss some of the ongoing issues that Dr. Oponui has been having with them as a participating provider.

The main highlights of the meeting were as follows:

-UHA genuinely believes that they are treating NDs fairly and are not discriminating against our profession. Dr. McPheeters considered these accusations of discrimination and unfair treatment as unfounded and derogatory.

-UHA views the naturopathic profession’s level of training as far inferior compared to allopathic and osteopathic providers (even mid-level practitioners such as physician assistants and nurse practitioners) and uses this as justification to reimburse NDs at 70% of the outdated 2012 Medicare fee schedule (Dr. McPheeters stated that he had nothing to do with setting this reimbursement rate but agrees that “it is fair”).

-UHA claims that they are doing their due diligence to verify the evidence-based nature of naturopathic medical standard of care treatment interventions before denying a claim on the basis of not being evidence-based.

-UHA requires chart notes to be included with every insurance claim submission for both participating and non-participating NDs and Dr. McPheeters reviews them personally. This is not required for any other provider type covered by UHA's plans.

-Dr. McPheeters has no understanding of naturopathic medical standards of care and believes that it is fair to evaluate the care and services we provide under a "universal" medical standard of care (which was quite clearly viewed by him as an allopathic standard of care). However, this standard is not applied to chiropractic or acupuncture providers covered by UHA.

-UHA plans on changing nothing when it comes to their working relationship with NDs and encouraged NDs to become non-participating providers if they felt they were being unfairly treated.

This meeting was recorded. If you would like to have a copy of the recording, please let me know.

This is clearly discriminatory and violating federal law.

I met with the Insurance Commissioner on several occasions to discuss these matters. He has done nothing to rectify the situation. He states he has told the insurers that they must include NDs in their networks, including Kaiser Permanente. I met with him and two state legislators in December 2015 to discuss this matter. The Insurance Commissioner made it clear that he was not going to do anything to compel insurers in Hawaii to comply with this federal law. Over two years ago, a number of complaints were submitted by naturopathic physicians with the insurance division about discriminatory practices by insurers. These complaints have still not been fully investigated to completion or resolved.

That's why we are here today.

Regarding the **financial implications of this bill:**

Legislative mandates of coverage for naturopathic medicine has been shown to NOT raise the cost of delivering health care, NOT result in higher premiums and NOT increase cost to purchases and payors. The Hawaii State Legislative Auditor conducted a study on coverage for naturopathic care in 1989 and concluded that "there is no evidence that coverage will add to the cost of insurance or to the total cost of health care." This conclusion has been supported by every study published since that time on the cost-effectiveness of naturopathic medicine. In fact, **naturopathic care has consistently resulted in net cost reduction compared to conventional care alone.**

- A 2001 analysis of payers found that in Washington State, complementary and

alternative medicine (CAM) services cost approximately \$0.20 per member per month in both HMO and PPO plans. Analysis on the impact of Washington State's 1996 Every Category of Provider law found that the "impact [of including naturopathic doctors] on premiums was modest – generally less than 2%." (Watts CA, Lafferty WE, Baden AC. The effect of mandating complementary and alternative medicine services on insurance benefits in Washington state. *J Altern Complement Med.* 2004;10:1001-1008)

- After 6 years of insurance coverage of naturopathic physician (ND) Primary Care Providers in WA state, visits to NDs made up just 1% of all outpatient provider visits but accounted for only 0.3% of the dollars paid out by insurers. (Lafferty, et al. Insurance Coverage and Subsequent Utilization of Complementary and Alternative Medicine Providers. *Jr of Managed Care.* July 2006)
- A Washington study found that 67.7% of patients who receive naturopathic care do not receive concurrent care from an MD/DO: naturopathic care is not "add-on" medical care in the majority of cases. (Cherkin DC, Deyo RA, Sherman KJ et al. Characteristics of visits to licenses acupuncturists, chiropractors, massage therapists, and naturopathic physicians. *J Am Board Fam Pract.* 2002;15:463-472.)
- A recent study has shown that one year of care under the supervision of a naturopathic doctor resulted in a 3.3% reduction in 10-year cardiovascular disease event risk. This resulted in an average net reduction in societal costs of \$1,138 per participant and a reduction in employer costs of \$1,187 per participant when compared to conventional care alone. (Seely S, Szcuko O, Cooley K, et al. Naturopathic medicine for the prevention of cardiovascular disease: a randomized clinical trial. *CMAJ* 2013;DOI:10.1503/cma.120587)

Peer-reviewed published studies like the ones above attest that naturopathic medicine is cost-effective and evidence-based. Furthermore, in 2012 the Hawaii Board of Naturopathic Medicine approved administrative rules for Standards of Practice and Care that are more rigorous and set a higher standard than those in any other state in the nation (Title 16, Chapter 88, Section16-88-81).

### **Conclusion:**

Section 2706 was plainly intended to give patients the ability to choose the type of licensed provider from whom to receive care, and to have covered benefits paid for by their insurer. Please take actions to ensure that Section 2706 is codified into state law in SB823 so that all insurers will properly and consistently achieve full compliance with the federal law to which they are turning a blind eye.

We urge you to do what is right, fair and just, on behalf of the thousands of your constituents who choose naturopathic healthcare and deserve to have the high

premiums charged by their insurers cover the services provided by naturopathic physicians reimbursed just as they would if the same services were provided by medical doctors, osteopathic physicians, nurse practitioners, and physician assistants. You can be the heroes by doing so. Failing to do this will leave you complicit with the ongoing discrimination.

Finally, we respectfully suggest that SB823 also be amended to include an enforcement provision and a short time frame for coming into compliance with the law. An enforcement provision could be simply stated as: “noncompliance with this section shall result in suspension of a plan participating in any state public health program under Chapter [ ] and sections [ ] for up to two years.” .

Thank you very much for your attention to this matter.

Sincerely,



Michael Traub, ND

On behalf of the Hawaii Society of Naturopathic Physicians and  
the American Association of Naturopathic Physicians

## **FAQS ABOUT AFFORDABLE CARE ACT IMPLEMENTATION (PART XXVII)**

**May 26, 2015**

Set out below are additional Frequently Asked Questions (FAQs) regarding implementation of the Affordable Care Act. These FAQs have been prepared jointly by the Departments of Labor (DOL), Health and Human Services (HHS), and the Treasury (collectively, the Departments). Like previously issued FAQs (available at <http://www.dol.gov/ebsa/healthreform/> and <http://www.cms.gov/ccio/resources/fact-sheets-and-faqs/index.html>), these FAQs answer questions from stakeholders to help people understand the Affordable Care Act and benefit from it, as intended.

### **Provider Non-Discrimination**

PHS Act section 2706(a), as added by the Affordable Care Act, states that a “group health plan and a health insurance issuer offering group or individual health insurance coverage shall not discriminate with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider's license or certification under applicable State law.” PHS Act section 2706(a) “shall not require that a group health plan or health insurance issuer contract with any health care provider willing to abide by the terms and conditions for participation established by the plan or issuer,” and nothing in PHS



Act section 2706(a) prevents “a group health plan, a health insurance issuer, or the Secretary from establishing varying reimbursement rates based on quality or performance measures.” Similar language is included in section 1852(b)(2) of the Social Security Act<sup>4</sup> and HHS implementing regulations.<sup>5</sup>

<sup>4</sup> Section 1852(b)(2) of the Social Security Act provides that “A Medicare+Choice organization shall not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification. This paragraph shall not be construed to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's enrollees or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan.”

<sup>5</sup> 42 CFR 422.205 provides, in part, that a “[Medicare Advantage (MA)] organization may select the practitioners that participate in its plan provider networks. In selecting these practitioners, an MA organization may not discriminate, in terms of participation, reimbursement, or indemnification, against any health care professional who is acting within the scope of his or her license or certification under State law, solely on the basis of the license or certification. If an MA organization declines to include a given provider or group of providers in its network, it must furnish written notice to the effected [*sic*] provider(s) of the reason for the decision.” Section 422.205 further provides that it “does not preclude any of the following [actions] by the MA organization: (1) Refusal to grant participation to health care professionals in excess of the number necessary to meet the needs of the plan's enrollees (except for MA private-fee-for-service plans, which may not refuse to contract on this basis); (2) Use of different reimbursement amounts for different specialties or for different practitioners in the same specialty; [and] (3) Implementation of measures designed to maintain quality and control costs consistent with its responsibilities.”

<sup>6</sup> See FAQs about Affordable Care Act Implementation Part XV, available at <http://www.dol.gov/ebsa/faqs/faq-aca15.html> and [http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/aca\\_implementation\\_faqs15.html](http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/aca_implementation_faqs15.html).

<sup>7</sup> S. Rep. No. 113-71, at 126 (2013). Additionally, in Title I of the report, regarding the Department of Labor Employee Benefits Security Administration, the Committee “directs the Department to work with HHS and the Department of the Treasury to revise their joint FAQ regarding section 2706 of the ACA, as explained in the HHS title of this report.” *Id.* at 27.

On April 29, 2013, the Departments issued FAQs,<sup>6</sup> which addressed, among other issues, provider nondiscrimination requirements under PHS Act section 2706(a). Subsequently, the Senate Committee on Appropriations issued a report dated July 11, 2013 (to accompany S. 1284) raising questions about the Departments’ FAQs addressing provider nondiscrimination.<sup>7</sup> The Departments published a request for information (RFI) on March 12, 2014, seeking comment on all aspects of interpretation of PHS Act section 2706(a).

<sup>8</sup> The RFI specifically solicited comments on access, costs, other federal and state laws, and feasibility. The Departments received over 1,500 comments in response to the RFI. The House Committee on Appropriations subsequently issued an explanatory statement dated December 11, 2014 (to accompany 113 H.R. 83),<sup>9</sup> directing the Centers for Medicare & Medicaid Services to provide a corrected FAQ or provide an explanation. The Departments are issuing the following FAQs in response to the December 11, 2014 explanatory statement.

Q4. What is the Departments’ approach to PHS Act section 2706(a)?

In light of the breadth of issues identified in the comments to the RFI, the Departments are re-stating their current enforcement approach to PHS Act section 2706(a). **Until further guidance is issued, the Departments will not take any enforcement action against a group health plan, or health insurance issuer offering group or individual coverage, with respect to implementing the requirements of PHS Act section 2706(a) as long as the plan or issuer is using a good faith, reasonable interpretation of the**

**statutory provision**, which states:

A group health plan and a health insurance issuer offering group or individual health insurance coverage shall not discriminate with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider's license or certification under applicable State law. This section shall not require that a group health plan or health insurance issuer contract with any health care provider willing to abide by the terms and conditions for participation established by the plan or issuer. Nothing in this section shall be construed as preventing a group health plan, a health insurance issuer, or the Secretary from establishing varying reimbursement rates based on quality or performance measures.

Q5. Does Q2 in FAQs about Affordable Care Act Implementation Part XV continue to apply?

No. Q2 in FAQs about Affordable Care Act Implementation Part XV, which previously provided guidance from the Departments on PHS Act section 2706(a), is superseded by this FAQ and notation will be made on the Departments' websites to reflect this modification.

The Departments will continue to work together with employers, plans, issuers, states, providers, and other stakeholders to help them comply with the provider nondiscrimination provision and will work with families and individuals to help them understand the law and benefit from it as intended.

8 79 FR 14051 (March 12, 2014).

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 9:08 PM  
**To:** CPH Testimony  
**Cc:** aluhi@yahoo.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/7/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alohi Aea	Individual	Support	No

Comments: I strongly support this bill as it will increase people's access to the kind of medical care that they prefer. This is a bill that will have a positive financial impact on families who choose to use naturopathic doctors.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 7:05 PM  
**To:** CPH Testimony  
**Cc:** dukiluv@mac.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/7/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Maryann Gianantoni	Individual	Support	No

Comments: I no longer live in Hawaii but as a former 30 year resident of Honolulu and user of Naturopathic services, I want to stand in support of this measure. I did not have insurance coverage for Naturopathic services when I was using them. Fortunately I was able to afford services; however, I know how difficult it was for many people in HI to afford the services of a ND. These services not only help with existing health problems but would also serve to prevent future problems or worsening of current problems if detected early. Please allow insurance coverage of Naturopathic services. Thank you.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 12:23 PM  
**To:** CPH Testimony  
**Cc:** roselyn.dias@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/7/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
roz dias	Individual	Support	No

Comments: I support this bill's intention to have Naturopathic Physicians recognized as Primary Care Providers for insurance reimbursement purposes. Chapter 455 licensed Naturopathic Physicians as primary care general practice doctors in 1925, and the lack of insurance coverage has been an extreme burden on patients having to pay completely out of pocket for their health care. This will be big support to many of my of us who seek care from Naturopaths. like to see a Naturopathic Physician and are not able to without insurance reimbursement.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 9:41 PM  
**To:** CPH Testimony  
**Cc:** stardove26@yahoo.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/7/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
nancy campbell-kowardy	Individual	Comments Only	No

Comments: I am a homebirthing mother of 4 and supporter of midwifery in hawaii islands. I oppose SB1312. I ask that you do also. Mahalo"

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Testimony responding to SB823

I strongly support SB823. I am a mother of two children and I pay out of pocket for all the care I receive my naturopathic physician. The reason I choose to see her, and pay for her services is because the type of care I receive is completely different from the care I would receive from an insurance covered pediatrician in the state of Hawaii. I find her worth every dollar that we pay for. I pray that you can pass this bill to help our family.

Thank you,

Jochebed Moses

Freebirthhawaii@gmail.com

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 6, 2017 5:00 PM  
**To:** CPH Testimony  
**Cc:** drlorikimata@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/6/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lori kimata	Individual	Support	No

Comments: REGULAR SESSION of 2017 For Honorable Senate CPH Chair Baker and Committee Members Hearing 2-14-17, 9 am, Rm 229 RE: SB 823 Relating to Naturopathic Physicians IN SUPPORT My name is Dr. Lori Kimata and I have been a licensed Naturopathic Physician since 1989. I respectfully support this bill's intention to have Naturopathic Physicians recognized as Primary Care Providers for insurance reimbursement purposes. Chapter 455 licensed Naturopathic Physicians as primary care general practice doctors in 1925, and the lack of insurance coverage has been an extreme burden on patients having to pay completely out of pocket for their health care. This will be big support to many of my clients as well as others who would like to see a Naturopathic Physician and are not able to without insurance reimbursement. Please support SB 823. Sincerely, Dr. Lori Kimata ND, midwife

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 6, 2017 4:29 PM  
**To:** CPH Testimony  
**Cc:** naturadoc@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/6/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Bonnie Marsh	Individual	Support	No

Comments: Please support the right for Naturopathic Doctors to practice within their scope of practice as Primary Care Providers to be able to serve our insured population on the islands. Mahalo, Dr. Bonnie Marsh, ND

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 6, 2017 4:20 PM  
**To:** CPH Testimony  
**Cc:** pennie.bumrungsiri@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/6/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Pennie Bumrungsiri	Individual	Support	Yes

Comments: Naturopathic physicians should be recognized as primary care professionals who are pioneering changes in the way healthcare is delivered. Prevention is the best medicine, and naturopathic physicians are armed with many tools to promote health and prevent chronic diseases. They should be recognized as primary care providers for insurance reimbursement purposes.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 1:41 PM  
**To:** CPH Testimony  
**Cc:** crazychick2913@yahoo.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Angela Schmidt	Individual	Support	No

Comments: I strongly support SB 823, which will require recognition of Naturopathic Doctors as primary care physicians. My family and I have been seeing an ND for our health care needs for the past four years and paying out of pocket all along. It is financially straining to have to pay for health insurance premiums, as well as actual care from our ND out of pocket. Please support SB 823, so that Naturopathic medicine will be more accessible to Hawaii families.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 7:26 AM  
**To:** CPH Testimony  
**Cc:** rootsremedieshawaii@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tara Compehos	Individual	Support	No

Comments: I support SB823, making Naturopathic Physicians primary care providers. This will relieve the financial burden on my family and others of paying out of pocket for the valuable care Naturopathic Physicians provide. Thank you very much for considering this bill. Tara Compehos

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REGULAR SESSION OF 2017

For: Honorable Senate Committee CPH Chair Baker and Committee Members,  
Hearing date 2-14-17, 9 a.m., Rm 229

Re: SB823 Relating to the Naturopathic Physicians - IN SUPPORT:

Dear Madams and Sirs,

I would very much like to have a Naturopathic Physician as my primary care physician. I would like to access their expertise and knowledge on health and wellness for myself and my family. It is a hardship to be under the care of a Naturopathic Doctor when they cannot accept insurance. The cost is too prohibitive. This bill will allow Naturopathic Doctors to accept insurance and, ultimately, will increase access to health care. I fully support this bill.

Thank you,  
Suzanna Kinsey  
suzannakinsey@gmail.com

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 9, 2017 7:42 AM  
**To:** CPH Testimony  
**Cc:** 2nicollejones@gmail.com  
**Subject:** \*Submitted testimony for SB823 on Feb 14, 2017 09:00AM\*

**SB823**

Submitted on: 2/9/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
nicolle jones	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 9, 2017 2:14 PM  
**To:** CPH Testimony  
**Cc:** ckdencker@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/9/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carol Dencker	Individual	Support	No

Comments: This bill is close to my heart. My Kaiser insurance is very expensive, but won't support the more natural remedies I must take to insure my IBS stays in check. I am allergic to many western meds, but not the herbals, which are gentler due to "less is more" philosophy. I also must see a board certified hydro-colon therapist once per quarter, the VERY most helpful remedy in my tool box of keeping healthy. Please consider the statistics on how many people are using and needing the Naturopathic industry to stay well. And please pass this bill for good health cost reduction. Thank you.  
ckd

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## CPH Testimony

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**From:** Jan Masukawa <kokee1966@yahoo.com>  
**Sent:** Sunday, February 12, 2017 3:10 PM  
**To:** CPH Testimony  
**Subject:** Bill on naturopathic physicians

Attention: The Senate Committee for consumer protection and health.

Regarding the bill that requires all insurance companies to write policies for medical insurance to cover naturopathic physicians for services rendered . For people like us who go to naturopathic physicians then the regular physicians.

Please pass this bill!

I've been going to one for over 15-20 years , I've stop going to a regular physician too much drama and they don't treat you for what you have but then charge you more money and not find a cure for what you went in for the first place, I love the naturopathic physicians! They treat me for what ever illness I have and explained exactly what's going on with me. I don't have health insurance and pay out of pocket and I can afford it but for the people who really need it or benefit .

Mahalo ,  
Jan Masukawa.

[Sent from Yahoo Mail for iPhone](#)



## CPH Testimony

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**From:** mspfisher@gmail.com  
**Sent:** Sunday, February 12, 2017 3:29 PM  
**To:** CPH Testimony  
**Subject:** SB 823 Naturopathic Physicians

Hello,

I am writing in support of the requirement to have insurance cover naturopathic care as part of my options. I currently have 24 visits per year covered with the insurance plan and have found that the combination of western medicine and naturopathic medicine helps me to have a more well rounded treatment program. When I need to have physical therapy I share information between my prescribing doctor, the physical therapist, the acupuncturist and the naturopathic chiropractor. Their treatments complement each other and help to heal my injury more quickly.

Thanks,  
Melissa Fisher  
Kapaa, Hawaii

Sent from Mail for Windows 10

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 13, 2017 7:58 AM  
**To:** CPH Testimony  
**Cc:** jngibbs@hotmail.com  
**Subject:** \*Submitted testimony for SB823 on Feb 14, 2017 09:00AM\*

**SB823**

Submitted on: 2/13/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nancy Gibbs	Individual	Support	Yes

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 13, 2017 5:03 AM  
**To:** CPH Testimony  
**Cc:** laulani@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/13/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Laulani Teale	Individual	Support	No

Comments: I strongly support this measure. It would give our community greater choice in their own healthcare, and would allow for preventive health services not available under regular medical practices. this would ultimately save money and resources all around. Natural health should be available to everyone, regardless of income. In order for this to realistically happen, insurance coverage is very important. Mahalo, Laulani Teale, MPH

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**Dr. Nathan Ehrlich, N.D.**

**Licensed Naturopathic Physician**

**PO Box 756 • Makawao, HI 96768**

**808.572.1388 • fax 808.572.1389**

**email: nat@maui.net**

February 12, 2017

Hawaii State Legislative Session 2017

**To: Senate CPH Committee and WAM**

**RE: testimony for SB823**

**Tues, February 14, 2017 at 9:00 am at the State Capital Building,**

**Conference Room 229**

**415 South Beretania Street.**

**Dear Chairs, Vice Chairs, and members of the CPH and WAM  
Committees**

**My name is Dr. Nathan Ehrlich, N.D. I am a naturopathic physician practicing in Hawaii on the island of Maui since 1989. I am submitting my testimony to urge you to support SB823 which would eliminate the practice of discrimination against Naturopathic Physicians by Insurance companies. I have been in practice in the state of Hawaii for nearly 30 years. When I began my practice the notion of prevention and alternative medicine seemed so far from mainstream medicine however today I see Naturopathic and Allopathic doctors working side by side and I see complementary medicine has practically become the norm where MD's and DO's routinely prescribe time worn Naturopathic remedies to their patients. It is time for the discrimination against the leaders of natural medicine to end and Naturopathic physicians, who are needed by the public, to be fairly treated by the insurance companies in this state. Please support the passage of SB823.**

**Thank you for hearing my testimony and for your support of this measure.**

**Sincerely,**

**Dr. Nathan Ehrlich, N.D.**

REGULAR SESSION of 2017

For Honorable Senate CPH Chair Baker and Committee Members

Hearing 2-14-17, 9 am, Rm 229

**RE: SB 823 Relating to Naturopathic Physicians**

**IN SUPPORT**

As a person that seeks out Naturopathic Physicians BEFORE going to a Medical Doctor, I respectfully support this bill's intention to have Naturopathic Physicians recognized as Primary Care Providers for insurance reimbursement purposes. Chapter 455 licensed Naturopathic Physicians as primary care general practice doctors in 1925, and the lack of insurance coverage has been an extreme burden on patients having to pay completely out of pocket for their health care. This will be big support to the copious amounts of people who would like to see a Naturopathic Physician and are not able to without insurance reimbursement.

Please support SB 823.

Ke aloha no,

Pua 'O Eleili Pinto

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 10:56 PM  
**To:** CPH Testimony  
**Cc:** dryenguyen@gmail.com  
**Subject:** \*Submitted testimony for SB823 on Feb 14, 2017 09:00AM\*

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dr. Ye Nguyen	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 10:53 PM  
**To:** CPH Testimony  
**Cc:** Kauai.Trainer@gmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kauai Trainer	Individual	Support	No

Comments: I support SB 823 which will allow natural-pathic doctors to utilize insurance payments for services rendered. It is about time that we recognize the rigor and extensive research on the benefits of naturalpatdhy.

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2/12/2017

**Re: In Support of SB823**

Dear Chairs, Vice Chairs and members of the CPH and WAM Committees:

Naturopathic Physicians are often excluded from insurance contracts in Hawaii, which restricts patients' ability to select the Provider of their choice for those who prefer a Naturopathic Physician.

Section 2706 of the Federal Patient Protection and Affordable Care Act of 2010 prohibits discrimination by insurers against any Provider group providing medically necessary health care services within their scope of practice.

**SB823 would see to it that Naturopathic Physicians in Hawaii may participate as in-network Providers, fairly compensated without discrimination, conforming to federal law.**

Naturopathic Physicians have been licensed in Hawaii since 1925. Scope expansion/modernization was implemented in 2010 and no complaints have been filed against Naturopathic Physicians in Hawaii since.

Licensed Naturopathic Physicians are trained in primary care and may practice as either Primary Care Physicians or Specialists. Naturopathic Physicians provide Essential Health Benefits, e.g., routine physical examinations, cardiovascular screening, annual Paps, order colonoscopies and mammograms. Naturopathic Physicians are experts in the prevention and low cost management of chronic illness.

Naturopathic Physicians have been able to credential in network as Primary Care Physicians (PCPs) with HMSA in Hawaii as of 2016. Naturopathic Physicians are credentialed in-network as PCPs or Specialists within plans like Blue Cross/Blue Shield, Cigna & Medicaid in several other States in the Nation.

Naturopathic Physicians provide no new services, but an additional choice of Providers. The ability for a patient to choose their preferred Provider is central to the intent of the Affordable Care Act.

Naturopathic medical services utilize the same procedure codes as MDs, DOs, PAs, & NPs.

Hawaii Naturopathic Physician Standards of Practice & Care (Title 16, Chapter 88, Section 16-88-81) are higher and more rigorous than those in any other State.

Your support for SB823 is very much appreciated, as is this opportunity to present testimony on behalf of Naturopathic Physicians, like myself, and our patients.

Respectfully,

Dr Karen Frangos

Karen M. Frangos, PT, ND  
Past President, Hawaii Society of Naturopathic Physicians  
Owner, Maui Natural Medicine & Physical Therapy, LLC  
30 E. Lipoa St, # 4-108,  
Kihei, HI 96753  
808-891-1111  
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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 10:12 PM  
**To:** CPH Testimony  
**Cc:** ted@glassartshawaii.org  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
edward clark	Individual	Oppose	No

Comments: Aloha. I do not agree with this bill. It is not in the best interest of health care, human rights, nor individual and family birth rights. It should not be approved and should be rewritten properly before ever reintroduced as this bill is not written for the correct purposes and will do more harm than good to our community and birth rights here in Hawaii. Edward Clark Ted@glassartshawaii.org 808-228-9575

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 9:32 PM  
**To:** CPH Testimony  
**Cc:** bonniejchang@yahoo.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM

**SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Bonnie Parker	Individual	Support	No

Comments: REGULAR SESSION of 2017 For Honorable Senate CPH Chair Baker and Committee Members Hearing 2-14-17, 9 am, Rm 229 RE: SB 823 Relating to Naturopathic Physicians IN SUPPORT My name is Bonnie Parker, mother of three natural born children with a licensed Naturopathic Physician. I respectfully support this bill's intention to have Naturopathic Physicians recognized as Primary Care Providers for insurance reimbursement purposes. Chapter 455 licensed Naturopathic Physicians as primary care general practice doctors in 1925, and the lack of insurance coverage has been an extreme burden on patients having to pay completely out of pocket for their health care. This will be big support to many of my clients as well as others who would like to see a Naturopathic Physician and are not able to without insurance reimbursement. Please support SB 823. Sincerely, Bonnie Parker, Mother and Community Member

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Feb 13, 2017

Dear Chairs, Vice Chairs and members of CPH and WAM,

I am writing **in support of SB823**

Dear Chairs, Vice Chairs, and members of the CPH and WAM Committees

The ability for patients to choose the licensed provider of their choice is integral to the intended full implementation of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). SB823 would provide clarity that naturopathic physicians in Hawaii must be able to participate as in-network providers, and be compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the Affordable Care Act.

Section 2706 of the Affordable Care Act became effective on January 1, 2014. Despite this federal law, insurance companies in Hawaii (HMSA, Kaiser Permanente, UHA, HMAA) have continued discriminatory practices in their coverage for naturopathic medicine. HMSA and UHA do not allow naturopathic physicians to be participating providers. HMAA has an annual maximum benefit for their members of \$1000, which is shared with visits to chiropractors and acupuncturists. Kaiser Permanente has completely disregarded all requests from naturopathic physicians to apply to provide services to Kaiser members.

The State Insurance Commissioner stated in his testimony on an earlier version of this bill (SB1217S1) on February 5, 2015 that Section 2706 of the federal Public Health Service Act, as added by section 1201 of the federal Patient Protection and Affordable Care Act of 2010, prohibits such discrimination. Pursuant to section 431:2-201.5 (conformity to federal law), Hawaii Revised Statutes, these provisions already apply to Title 24 (insurance). However, the Insurance Division has allowed insurers in Hawaii to continue their discriminatory practices, in clear contradiction to the federal law.

SB823 would correct these injustices by requiring health care insurers who provide health care coverage to provide coverage for medically necessary health care services covered by a health insurance policy when provided by licensed naturopathic physicians acting within their scope of practice. The bill also specifies that insurers shall not unfairly discriminate against the practice of naturopathic medicine, and permits insurers to

require naturopathic physician services to be provided by a naturopathic physician under contract or covered as consistent with out-of-network provider reimbursement practices.

Legislative mandates of coverage for naturopathic medicine has been shown to NOT raise the cost of delivering health care, NOT result in higher premiums and NOT increase cost to purchases and payors. The Hawaii State Legislative Auditor conducted a study on coverage for naturopathic care in 1989 and concluded that “there is no evidence that coverage will add to the cost of insurance or to the total cost of health care.” This conclusion has been supported by every study published since that time on the cost-effectiveness of naturopathic medicine. In fact, naturopathic care has consistently resulted in net cost reduction compared to conventional care alone.

Lastly, insofar as the Insurance Commissioner has not enforced full compliance with Section 2706 of the Affordable Care Act, I would ask this committee to consider adding an enforcement provision to SB823. One non-compliance enforcement provision to consider would be to suspend plan participation in state public health programs for up to two years.

Thank you for your consideration.

Sincerely,

Carrie Brennan, ND

## CPH Testimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 12, 2017 11:14 AM  
**To:** CPH Testimony  
**Cc:** birthandearth@hotmail.com  
**Subject:** Submitted testimony for SB823 on Feb 14, 2017 09:00AM  
**Attachments:** 2017.pages

**Categories:** Green Category

### **SB823**

Submitted on: 2/12/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sara DiGrazia	Individual	Support	No

Comments: REGULAR SESSION of 2017 For Honorable Senate CPH Chair Baker and Committee Members Hearing 2-14-17, 9 am, Rm 229 RE: SB 823 Relating to Naturopathic Physicians IN SUPPORT My name is Sara DiGrazia and I am a registered and active voter in the State of Hawai'i. My family and I, which includes members ages 5-71, are all patients of Naturopathic Physicians. It would help support the health of all six of us if we could utilize our health insurance to cover our visits to our Naturopath. My parents (who are in their 70s) often do not seek the medical advice of our Naturopath because, in their retired years, they do not have the extra cash. Please support SB 823. Thank you for your time and consideration of these matters, Sara DiGrazia, Psy.D.

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February 13, 2017

**Re: SB823 - In Support**

Dear Chairs, Vice Chairs, and members of the CPH and WAM Committees

Health plans and insurance companies in Hawaii have limited the types of health care providers permitted to provide services to their members by excluding certain licensed providers. In particular, naturopathic physicians are often excluded from insurance contracts in Hawaii, which forces patients who choose a naturopathic physician as their primary care provider to pay out of pocket for their primary care needs.

Discrimination against any provider group, as a whole, is harmful to patients and restricts their ability to select the provider of their choice. The ability for patients to choose the licensed provider of their choice is integral to the intended full implementation of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). SB823 would provide clarity that naturopathic physicians in Hawaii must be able to participate as in-network providers, and be compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the Affordable Care Act.

Section 2706 of the Affordable Care Act became effective on January 1, 2014. Despite this federal law, insurance companies in Hawaii (HMSA, Kaiser Permanente, UHA, HMAA) have continued discriminatory practices in their coverage for naturopathic medicine. HMSA and UHA do not allow naturopathic physicians to be participating providers. HMAA has an annual maximum benefit for their members of \$1000, which is shared with visits to chiropractors and acupuncturists. Kaiser Permanente has completely disregarded all requests from naturopathic physicians to apply to provide services to Kaiser members.

The State Insurance Commissioner stated in his testimony on an earlier version of this bill (SB1217S1) on February 5, 2015 that Section 2706 of the federal Public Health Service Act, as added by section 1201 of the federal Patient Protection and Affordable Care Act of 2010, prohibits such discrimination. Pursuant to section 431:2-201.5 (conformity to federal law), Hawaii Revised Statutes, these provisions already apply to Title 24 (insurance). However, the Insurance Division has allowed insurers in Hawaii to continue their discriminatory practices, in clear contradiction to the federal law.

SB823 would correct these injustices by requiring health care insurers who provide health care coverage to provide coverage for medically necessary health care services covered by a health insurance policy when provided by licensed naturopathic physicians acting within their scope of practice. The bill also specifies that insurers shall not unfairly discriminate against the practice of naturopathic medicine, and permits insurers to require naturopathic physician services to be

provided by a naturopathic physician under contract or covered as consistent with out-of-network provider reimbursement practices.

Legislative mandates of coverage for naturopathic medicine has been shown to NOT raise the cost of delivering health care, NOT result in higher premiums and NOT increase cost to purchases and payors. The Hawaii State Legislative Auditor conducted a study on coverage for naturopathic care in 1989 and concluded that “there is no evidence that coverage will add to the cost of insurance or to the total cost of health care.” This conclusion has been supported by every study published since that time on the cost-effectiveness of naturopathic medicine. In fact, naturopathic care has consistently resulted in net cost reduction compared to conventional care alone.

- A 2001 analysis of payers found that in Washington State, complementary and alternative medicine (CAM) services cost approximately \$0.20 per member per month in both HMO and PPO plans. Analysis on the impact of Washington State’s 1996 Every Category of Provider law found that the “impact [of including naturopathic doctors] on premiums was modest – generally less than 2%.” (Watts CA, Lafferty WE, Baden AC. The effect of mandating complementary and alternative medicine services on insurance benefits in Washington state. J Altern Complement Med. 2004;10:1001-1008)
- After 6 years of insurance coverage of naturopathic physician (ND) Primary Care Providers in WA state, visits to NDs made up just 1% of all outpatient provider visits but accounted for only 0.3% of the dollars paid out by insurers. (Lafferty, et al. Insurance Coverage and Subsequent Utilization of Complementary and Alternative Medicine Providers. Jr of Managed Care. July 2006)
- A Washington study found that 67.7% of patients who receive naturopathic care do not receive concurrent care from an MD/DO: naturopathic care is not “add-on” medical care in the majority of cases. (Cherkin DC, Deyo RA, Sherman KJ et al. Characteristics of visits to licenses acupuncturists, chiropractors, massage therapists, and naturopathic physicians. J Am Board Fam Pract. 2002;15:463-472.)
- A recent study has shown that one year of care under the supervision of a naturopathic doctor resulted in a 3.3% reduction in 10-year cardiovascular disease event risk. This resulted in an average net reduction in societal costs of \$1,138 per participant and a reduction in employer costs of \$1,187 per participant when compared to conventional care alone. (Seely S, Szcuko O, Cooley K, et al. Naturopathic medicine for the prevention of cardiovascular disease: a randomized clinical trial. CMAJ 2013;DOI:10.1503/cma.120587)

Peer-reviewed published studies like the ones above attest that naturopathic medicine is cost-effective and evidence-based. Furthermore, in 2012 the Hawaii Board of Naturopathic Medicine approved administrative rules for Standards of

Practice and Care that are more rigorous and set a higher standard than those in any other state in the nation (Title 16, Chapter 88, Section 16-88-81).

Lastly, insofar as the Insurance Commissioner has not enforced full compliance with Section 2706 of the Affordable Care Act, I would ask this committee to consider adding an enforcement provision to SB823. One non-compliance enforcement provision to consider would be to suspend plan participation in state public health programs for up to two years.

Thank you for the opportunity to present testimony on this matter. Your support for SB823 is appreciated.

Respectfully,

*Katherine Pomeroy, N.D.*



**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 13, 2017 3:51 PM  
**To:** CPH Testimony  
**Cc:** adrien.m.gonzalez@gmail.com  
**Subject:** \*Submitted testimony for SB823 on Feb 14, 2017 09:00AM\*

**SB823**

Submitted on: 2/13/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Adrien Gonzalez	Individual	Support	No

Comments:

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**Sent:** Monday, February 13, 2017 2:01 PM  
**To:** CPH Testimony  
**Cc:** f.c.schmid@gmail.com  
**Subject:** \*Submitted testimony for SB823 on Feb 14, 2017 09:00AM\*

**SB823**

Submitted on: 2/13/2017

Testimony for CPH on Feb 14, 2017 09:00AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Francoise Schmid	Individual	Support	No

Comments:

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