
A BILL FOR AN ACT

RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE SPECIAL FUND.

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

1 SECTION 1. The legislature finds that subacute residential
2 stabilization services, otherwise known as crisis stabilization
3 beds, will bridge the gap for individuals in crisis for whom
4 acute inpatient hospitalization is unnecessary and lower level
5 residential and community treatment modalities are insufficient.
6 Additionally, transitional placement is needed in environments
7 where individuals with severe and persistent mental illness are
8 able to live semi-independently but can return quickly to higher
9 levels of care when they start to decompensate. These two
10 service components are vital parts of a comprehensive continuum
11 of care for behavioral health, but are currently
12 under-resourced.

13 The legislature further finds that individuals who will
14 benefit from crisis stabilization beds enter and reenter the
15 health care system through emergency departments, often under a
16 designation for emergency examination pursuant to
17 section 334-59, Hawaii Revised Statutes, or more commonly known



1 as "MH-1". Upon discharge but before long-term rehabilitation
2 and treatment may continue, some patients will require several
3 days or weeks to deescalate from their crisis in a controlled
4 environment. Similarly, if they are reintegrated to the
5 community prematurely, the cycle of relapse and decompensation
6 often continues. However, Hawaii's treatment resources do not
7 currently include crisis stabilization beds or supported
8 transition units.

9 The legislature also finds that the department of health
10 proposes to invest in existing state facilities that have
11 underutilized bed space to create an inventory of crisis
12 stabilization beds and supported transition units.
13 Additionally, due to focused efforts over the last several years
14 to maximize billing and reimbursement, the mental health and
15 substance abuse special fund can sustain both expanded program
16 operations and new capital improvements related to crisis
17 stabilization beds.

18 The purpose of this Act is to:

19 (1) Authorize the mental health and substance abuse
20 special fund to be used for capital improvements; and



1 (2) Require the department of health to identify, among
2 other things, capital improvement projects that should
3 be made with moneys from the mental health and
4 substance abuse special fund to improve the continuum
5 of care for behavioral health and submit a report to
6 the legislature.

7 SECTION 2. Section 334-15, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) There is established a special fund to be known as
10 the mental health and substance abuse special fund into which
11 shall be deposited all revenues and other moneys collected from
12 certification programs and treatment services rendered by the
13 mental health and substance abuse programs operated by the
14 State. Notwithstanding any other law to the contrary, the
15 department is authorized to establish separate accounts within
16 the special fund for depositing moneys received from
17 certification programs and from each mental health and substance
18 abuse program. Moneys deposited into the respective accounts of
19 each program shall be used for the payment of the operating
20 expenses or capital improvements of the respective program. As
21 used in this section, "capital improvements" means the



1 acquisition of real property, improvements to expand capacity
2 and serviceability of existing public facilities, and
3 development of new public facilities."

4 SECTION 3. (a) The department of health shall identify
5 the following:

- 6 (1) Capital improvement projects that should be made with
7 moneys from the mental health and substance abuse
8 special fund to improve the continuum of care for
9 behavioral health;
- 10 (2) The amounts required for the identified capital
11 improvement projects; and
- 12 (3) Plans investigating whether private non-profits could
13 operate state facilities for underused beds,
14 supplement state funding to remodel through
15 fundraising, and access non-state funds to support
16 operations.

17 (b) The department of health shall submit a report of its
18 findings and recommendations, including any proposed
19 legislation, to the legislature no later than twenty days prior
20 to the convening of the regular session of 2021.

21 SECTION 4. New statutory material is underscored.



1 SECTION 5. This Act shall take effect on July 1, 2020;
2 provided that on June 30, 2025, this Act shall be repealed and
3 section 334-15(a), Hawaii Revised Statutes, shall be reenacted
4 in the form in which it read on the day prior to the effective
5 date of this Act.



Report Title:

Mental Health and Substance Abuse Special Fund; Capital Improvements

Description:

Authorizes the mental health and substance abuse special fund to be used for certain capital improvements. Requires the Department of Health to identify, among other things, capital improvement projects that should be made with moneys from the mental health and substance abuse special fund to improve the continuum of care for behavioral health and submit a report to the Legislature. Repeals on June 30, 2025. (SD1)

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