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# A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1           SECTION 1. Section 431:10C-103.5, Hawaii Revised Statutes,  
2 is amended by amending subsection (a) to read as follows:  
3           "(a) Personal injury protection benefits, with respect to  
4 any accidental harm, means all appropriate and reasonable  
5 treatment and expenses necessarily incurred as a result of the  
6 accidental harm and [~~which~~] that are substantially comparable to  
7 the requirements for prepaid health care plans, including  
8 medical, hospital, surgical, professional, nursing, advanced  
9 practice registered nursing licensed pursuant to chapter 457,  
10 dental, optometric, naturopathic medicine, chiropractic,  
11 ambulance, prosthetic services, medical equipment and supplies,  
12 products and accommodations furnished, x-ray, psychiatric,  
13 physical therapy pursuant to prescription by a medical doctor[~~7~~]  
14 or chiropractor, occupational therapy, rehabilitation, and  
15 therapeutic massage by a licensed massage therapist when  
16 prescribed by a medical doctor[~~7~~] or chiropractor."



1 SECTION 2. Section 431:10C-103.6, Hawaii Revised Statutes,  
2 is amended to read as follows:

3 **"§431:10C-103.6 Personal injury protection benefits tied**  
4 **to prepaid health care plan for description of coverage only.**

5 (a) The benefits provided under section 431:10C-103.5 shall be  
6 substantially comparable to the requirements for prepaid health  
7 care plans, as provided in chapter 393 and rules of the  
8 department of labor and industrial relations, pertaining to the  
9 Prepaid Health Care Act. The reference to the Prepaid Health  
10 Care Act is only for purposes of describing the coverages and  
11 exclusions, without regard to any specific insurer or plan, and  
12 shall not be construed to transfer coverage to the prepaid  
13 health care plans. The precise charges and utilization rates  
14 shall be as contained in the workers' compensation supplemental  
15 medical fee schedules as provided under section 431:10C-308.5,  
16 unless modified by the commissioner by rule under chapter 91.

17 (b) Chiropractic treatments shall be allowed for [~~not more~~  
18 ~~than the lesser of the following:~~

19 ~~(1) Thirty visits at no more than \$75 a visit, plus no~~  
20 ~~more than five x-rays at no more than \$50 each; or~~



1       ~~(2) Treatment as defined by the Hawaii State Chiropractic~~  
2           ~~Association guidelines in effect on January 25, 1997.]~~  
3       visits in a number not to exceed that which is deemed medically  
4       necessary. The charges and any subsequent increase in charges  
5       for chiropractic treatments under this section shall be tied to  
6       the charges permissible under the workers' compensation  
7       supplemental medical fee schedule.

8       (c) Acupuncture treatments shall be allowed for no more  
9       than thirty visits. The charges for acupuncture treatments  
10       under this section shall be tied to the charges, and any  
11       subsequent increases in charges, permissible under the workers'  
12       compensation supplemental medical fee schedule.

13       (d) Naturopathic treatments shall be allowed for no more  
14       than thirty visits at no more than \$75 a visit.

15       ~~[(e) The combined total of naturopathic, chiropractic, and~~  
16       ~~acupuncture treatments may not exceed thirty visits.]~~

17       ~~(f)]~~ (e) The benefits under section 431:10C-103.5 may be  
18       with copayment, and shall be subject to and apply the  
19       utilization requirements applicable under prepaid health care  
20       plans, under chapter 393."



1 SECTION 3. Section 431:10C-302, Hawaii Revised Statutes,  
2 is amended by amending subsection (a) to read as follows:

3 "(a) In addition to the motor vehicle insurance coverages  
4 described in section 431:10C-301, every insurer issuing a motor  
5 vehicle insurance policy shall make available to the insured the  
6 following optional insurance under the following conditions[  
7 ~~Every insurer issuing a commercial motor vehicle insurance~~  
8 ~~policy shall make available to the insured the following~~  
9 ~~optional insurance, except for those benefits under paragraphs~~  
10 ~~(4), (5), (9), (10), and (11) under the following conditions]:~~

11 (1) At the option of the insured, provisions covering loss  
12 resulting from damage to the insured's motor vehicle  
13 with [such] deductibles, including but not limited to  
14 collision and comprehensive deductibles of \$50, \$100,  
15 \$250, \$500, \$1,000, \$1,500, and \$2,000, at  
16 appropriately reduced premium rates, as the  
17 commissioner, by rule, shall provide;

18 (2) At the option of the insured, compensation to the  
19 insured, the insured's spouse, any dependents, or any  
20 occupants of the insured's vehicle for damages not  
21 covered by personal injury protection benefits;



- 1           (3) Additional coverages and benefits with respect to any  
2           injury or any other loss from motor vehicle accidents  
3           or from operation of a motor vehicle for which the  
4           insurer may provide for aggregate limits with respect  
5           to such additional coverage so long as the basic  
6           liability coverages provided are not less than those  
7           required by section 431:10C-301(b)(1) and (2);
- 8           (4) At the option of the insured, an option in writing for  
9           coverage for wage loss benefits for monthly earnings  
10          loss for injury arising out of a motor vehicle  
11          accident. Any change in the wage loss benefits  
12          coverage selected by an insured shall apply only to  
13          benefits arising out of motor vehicle accidents  
14          occurring after the date the change becomes effective.  
15          Coverage shall be offered in multiples of \$500 a  
16          month/\$3,000 per accident per person, from \$500 a  
17          month/\$3,000 per accident to \$2,000 a month/\$12,000  
18          per accident; however, nothing shall prevent an  
19          insurer from making available higher limits of  
20          coverage;



- 1           (5) An option in writing for minimum coverage for death  
2           benefits for death arising out of a motor vehicle  
3           accident in an amount of \$25,000, to be paid to the  
4           surviving spouse, for the benefit of the spouse and  
5           dependent children, or if there are no surviving  
6           spouse or dependent children, then to the estate.  
7           Coverage shall also be made available for increased  
8           death benefits in increments of \$25,000 up to  
9           \$100,000; however, nothing shall prevent an insurer  
10          from making available higher limits of coverage. At  
11          the option of the insured, coverage for funeral  
12          expenses of \$2,000 shall be made available;
- 13          (6) Terms, conditions, exclusions, and deductible clauses,  
14          coverages, and benefits [~~which~~] that:
- 15                (A) Are consistent with the required provisions of  
16                the policy;
- 17                (B) Limit the variety of coverage available so as to  
18                give buyers of insurance reasonable opportunity  
19                to compare the cost of insuring with various  
20                insurers; and



- 1 (C) Are approved by the commissioner as fair and  
2 equitable;
- 3 (7) At appropriately reduced premium rates, deductibles  
4 applicable only to claims of an insured in the amounts  
5 of \$100, \$300, \$500, and \$1,000 from all personal  
6 injury protection benefits otherwise payable; provided  
7 that if two or more insureds to whom the deductible is  
8 applicable under the contract of insurance are injured  
9 in the same accident, the aggregate amount of the  
10 deductible applicable to all of [~~them~~] the insureds  
11 shall not exceed the specified deductible, which  
12 amount where necessary shall be allocated equally  
13 among [~~them~~] the insureds;
- 14 (8) Every insurer shall fully disclose the availability of  
15 all required and optional coverages and deductibles,  
16 including the nature and amounts, at the issuance or  
17 delivery of the policy; or, for a policy already  
18 issued on January 1, 1998, disclosure shall be made at  
19 the first renewal after January 1, 1998. The insurer  
20 shall also disclose at issuance or renewal, as  
21 applicable, the effect on premium rates and savings of



1 each option and deductible. Further offers or  
2 disclosures thereafter shall be required to be  
3 included with every other renewal or replacement  
4 policy. All elections of coverages, options, and  
5 deductibles by a named insured shall be binding upon  
6 additional insureds covered under the named insured's  
7 policy. The purpose of this paragraph is to inform  
8 insureds or prospective insureds of the coverages  
9 under this article;

- 10 (9) (A) An insurer may make available, and provide at the  
11 option of the named insured, the benefits  
12 described in section 431:10C-103.5(a) through  
13 managed care providers such as a health  
14 maintenance organization or a preferred provider  
15 organization. The option may include conditions  
16 and limitations to coverage, including  
17 deductibles and coinsurance requirements, as  
18 approved by the commissioner. The commissioner  
19 shall approve those conditions and limitations  
20 [~~which~~] that are substantially comparable to or





1           exceed the coverage provided under section  
2           431:10C-103.6;

3           (B) An insurer may make available, and provide at the  
4           option of the named insured, deductible and  
5           coinsurance arrangements whereby the recipient of  
6           care, treatment, services, products, expenses, or  
7           accommodations shares in the payment obligation;

8           (C) No deductible or coinsurance under a policy  
9           covered under [~~section 431:10C-302(a)(9)(A)~~]  
10          subparagraph (A) or (B) shall be applied with  
11          respect to care, treatment, services, products,  
12          or accommodation provided or expenses incurred by  
13          an insured during the first twenty-four hours in  
14          which emergency treatment has been provided or  
15          until the insured patient's emergency medical  
16          condition is stabilized, whichever is longer;

17          (D) (i) The optional coverage prescribed in [~~section~~  
18                ~~431:10C-302(a)(9)(A)~~] subparagraph (A) and  
19                (B) shall apply only to the named insured,  
20                resident spouse, or resident relative; and



1 (ii) "Resident relative" means a person who, at  
2 the time of the accident, is related by  
3 blood, marriage, or adoption to the named  
4 insured or resident spouse and who resides  
5 in the named insured's household, even if  
6 temporarily living elsewhere, and any ward  
7 or foster child who usually resides with the  
8 named insured, even if living elsewhere;

9 (E) An agreement made under [~~section 431:10C-~~  
10 ~~302(a)(9)~~] this paragraph must be a voluntary  
11 agreement between the insured and the insurer,  
12 and no insurer shall require an insured to agree  
13 to those policy provisions as a condition of  
14 providing insurance coverage. Requiring an  
15 agreement as a precondition to the provision of  
16 insurance shall constitute an unfair insurance  
17 practice and shall be subject to the provisions,  
18 remedies, and penalties provided in article 13;  
19 and

20 (F) An insurer providing the coverages authorized in  
21 [~~section 431:10C-302(a)(9)(A)~~] subparagraphs (A)



1                   and (B) shall demonstrate in rate filings  
2                   submitted to the commissioner the savings to the  
3                   insured to be realized under the plan;

4       (10) An insurer shall make available optional coverage for  
5       naturopathic, acupuncture, nonmedical remedial care,  
6       and treatment rendered in accordance with the  
7       teachings, faith, or belief of any group ~~[which]~~ that  
8       relies upon spiritual means through prayer for  
9       healing; and

10       (11) An insurer may make available optional coverage for  
11       chiropractic treatment in addition to chiropractic  
12       treatment provided under section 431:10C-103.6 ~~[for~~  
13       ~~not more than the lesser of the following:~~

14       ~~(A) Thirty additional visits at no more than \$75 a~~  
15       ~~visit; or~~

16       ~~(B) Treatment as defined by the Hawaii Chiropractic~~  
17       ~~Association guidelines in effect on January 25,~~  
18       ~~1997.];~~

19       provided that the benefits under paragraphs (4), (5), (9), (10),  
20       and (11) shall not be made available under commercial motor  
21       vehicle insurance policies.



1           The commissioner shall adopt rules, including policy  
2 limits, terms, and conditions as necessary to implement the  
3 requirements of this section."

4           SECTION 4. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 5. This Act shall take effect on June 30, 3000.

7



**Report Title:**

Motor Vehicle Insurance; Chiropractor; Naturopathic, Chiropractic, and Acupuncture Treatment; Physical Therapy; Therapeutic Massage

**Description:**

Authorizes prescriptions made by chiropractors for physical therapy and therapeutic massage treatment to qualify as a motor vehicle insurance personal injury protection benefit. Replaces the existing cap on the number of chiropractic treatment visits that qualify for motor vehicle insurance coverage with a number of visits that are deemed medically necessary. Amends the reimbursement amount for chiropractic treatment from \$75 per visit to an amount tied to the charges, and any subsequent increases in charges, permissible under the workers' compensation supplemental medical fee schedule. Repeals the thirty-visit cap on combined naturopathic, chiropractic, and acupuncture treatments. Effective 6/30/3000. (HD1)

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

