

JAN 16 2025

A BILL FOR AN ACT

RELATING TO AUTISM.

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

1 SECTION 1. The legislature finds that applied behavioral
2 analysis is a medically necessary service for young people with
3 autism and can decrease the cost of care for persons with autism
4 over their lifetimes. The department of human services'
5 med-QUEST division covers applied behavioral analysis services
6 for persons with autism up to twenty-one years of age. However,
7 med-QUEST patients are sometimes unable to access recommended
8 services due to the unavailability of providers.

9 The legislature further finds that med-QUEST reimbursement
10 rates for applied behavioral analysis have not increased since
11 2015. Since then, the Hawaii labor market has experienced
12 significant wage pressure and med-QUEST beneficiaries must
13 compete for applied behavioral analysis services with the
14 private sector and other government programs, such as the
15 department of education and department of health, which offer
16 significantly higher reimbursement rates.



1 At the request of the legislature, a report was submitted
2 in December 2023 based on a study commissioned by the med-QUEST
3 division and conducted by actuarial firm Milliman.
4 Reimbursement rates and costs were researched for a broad range
5 of applied behavioral analysis services. Three rate scenarios
6 were modeled in the study, all of which exceeded existing rates.
7 The lowest rate was based on the fiftieth percentile Bureau of
8 Labor Statistics wage blend for direct care staff, while the
9 highest rate was based on the seventy-fifth percentile of the
10 same data. The medium rate was based on the median direct care
11 staff wage from a survey of applied behavioral analysis service
12 providers.

13 Furthermore, the legislature finds that modeled rates for
14 individual one-to-one services increased significantly for all
15 scenarios. However, modeled rates for group services decreased
16 for the lowest and medium rate scenarios. Part of the decrease
17 stemmed from the fact that indirect time has become separately
18 billable since the med-QUEST division rates were set and was
19 thus not included in the rate. Another reason was that group
20 rates were decreased to reflect the number of members served
21 simultaneously, rather than allowing the same rate to be charged



1 concurrently for each client, which is the med-QUEST division's
2 existing guideline.

3 The legislature also finds that the lowest-rate scenario
4 requires a composite rate change of 33.9 per cent and will
5 require \$2,690,000 in state funds, which will be matched by a
6 corresponding \$3,810,000 increase in federal funds. Moreover,
7 the legislature finds that the concomitant increase in federal
8 matching funds will result in a greater impact on the
9 reimbursement rates received by applied behavioral analysis
10 service providers.

11 Therefore, the purpose of this Act is to make an
12 appropriation to increase funding for the department of human
13 services' med-QUEST division reimbursement for applied
14 behavioral analysis services.

15 SECTION 2. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so much
17 thereof as may be necessary for fiscal year 2025-2026 and the
18 same sum or so much thereof as may be necessary for fiscal
19 year 2026-2027 to increase funding for applied behavioral
20 analysis services; provided that the department of human
21 services shall obtain the maximum federal matching funds



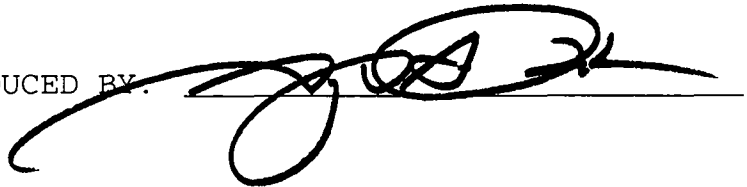
1 available for this expenditure; provided further that the
2 department of human services shall pursue all funding sources
3 available to the State, including private grants, prior to
4 expending any general revenues appropriated pursuant to this
5 Act.

6 The sums appropriated shall be expended by the department
7 of human services for the purposes of this Act.

8 SECTION 3. This Act shall take effect on July 1, 2025.

9

INTRODUCED BY.

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and appears to be the name of the legislator who introduced the bill.

S.B. NO. 450

Report Title:

Autism; Applied Behavioral Analysis Services; Appropriation;
General Fund Expenditure Ceiling Exceeded

Description:

Appropriates funds to increase the funding for applied behavioral analysis services for persons with autism. Requires the Department of Human Services to obtain maximum federal matching funds and pursue all other funding sources. Appropriates funds.

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

