



## HAWAII DISABILITY RIGHTS CENTER

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### THE SENATE THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2014

#### Committee on Health Committee on Commerce and Consumer Protection Testimony in Support of S.B. 2578 Relating to Health

Tuesday, January 28, 2014, 8:30 A.M.  
Conference Room 229

Chair Green, Chair Baker and Members of the Committees:

The Hawaii Disability Rights Center testifies in support of this bill, with some reservations.

The purpose of the bill is to require health insurance plans to provide coverage for autism spectrum disorders. This is a very important bill and this coverage is very appropriate for insurance policies. The whole point of insurance is to spread risk and cost among an entire population, so that disproportionate, catastrophic expenses are not heaped upon specific individuals or groups.

With that in mind, we need to realize that autism is occurring among children in epidemic proportions. According to current statistics, **one out of 110 children (1 out of 85 boys) are born with autism**. That is a staggering, alarming figure, as is the cost to those families and to society to care for these individuals over the course of their lives. **It is estimated that the cost of caring for a single individual with autism for a lifetime is \$3 million**. Evidence suggests that techniques such as applied behavioral analysis have been effective in mitigating or reducing or eliminating the effects of autism if used at an early age. While the treatments may seem costly in the short run, hundreds

of thousands of dollars, if not millions, are saved over the course of a lifetime by the early utilization of treatments.

Inasmuch as autism is unfortunately becoming common and the costs are so high, insurance coverage is appropriate as a mechanism to spread the risk and cost amongst all of us. We note that **approximately half the states in the country currently mandate some insurance coverage for autism.** Therefore, this would seem to be an approach to addressing this problem which has received broad support.

That said, we prefer the approach taken in HB 2054, also being heard today, as well as the measures that may be pending in Conference Committees as carryovers from the 2013 legislative session. We are particularly concerned that this measure cuts off services at the age of six and embraces the dubious assumption that the DOE will be able to provide appropriate services after that. That is a fallacy. While some services are supposed to be provided via the DOE under the Individuals With Disabilities Education Act, in reality, the DOE has done a very poor job of either educating or providing needed services to children with autism. Therefore, other means of providing coverage and services need to be addressed.

Additionally, we believe that six years old is too arbitrary a cut off period and grossly insufficient in terms of covering the population that requires services. We do acknowledge that if services are to be effective they should generally begin when the child is relatively young. For that reason, a fair and thorough discussion during this session as to how to best target resources may be reasonable. However, we feel that in any event six years old is too young an age to be the outer limits of these services and would suggest looking at a higher age if the legislature is going to entertain the idea of an age cap.

Thank you for the opportunity to testify in support of this measure.



## HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814  
Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

DATE: Tuesday, January 28, 2014  
TIME: 8:30AM  
PLACE: Conference Room 229

TO:

COMMITTEE ON HEALTH

Senator Josh Green, Chair  
Senator Rosalyn H. Baker, Vice Chair

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair  
Senator Brian T. Taniguchi, Vice Chair

FROM: Hawaii Medical Association  
Dr. Walton Shim, MD, President  
Dr. Linda Rasmussen, MD, Legislative Co-Chair  
Dr. Ron Keinitz, DO, Legislative Co-Chair  
Dr. Christopher Flanders, DO, Executive Director  
Lauren Zirbel, Community and Government Relations

RE: SB 2578 RELATING TO HEALTH & SB 2054 RELATING TO HEALTH

Position: Support

This measure requires health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for treatment of autism spectrum disorders.

HMA finds that treatment of autism spectrum disorders is medical necessary and as such supports this measure, which would ensure that autism treatment is covered by insurance.

Thank you for introducing this bill and for the opportunity to provide testimony.

### OFFICERS

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# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

January 28, 2014

The Honorable Josh Green, Chair  
Senate Committee on Health  
The Honorable Rosalyn H. Baker, Chair  
Senate Committee on Consumer Protection and Commerce

**Re: SB 2578 – Relating to Health**

Dear Chair Green, Chair Baker and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 2578, which would require health plans to provide coverage for services for autism spectrum disorders (ASD). HMSA certainly is empathetic to the intent of this Bill. However, as we noted during the last legislative session, we continue to be concerned that the Legislature and the community need more and clearer information about the consequences of such a mandate.

The 2012 Legislature, in fact, did attempt to gain that knowledge by adopting HCR 177, HD2, SD1, directing the Legislative Reference Bureau (LRB) study of the impacts of mandating insurance coverage for the diagnosis and treatment of ASD. The LRB submitted that report, "Autism Spectrum Disorders and Mandated Benefits Coverage in Hawaii" to the 2013 Legislature

Unfortunately, the LRB report is inconclusive with regard to many of its findings, including the financial impact and the impact of the Affordable Care Act (ACA) on such a mandate. The LRB instead offers recommendations including:

- Should the Legislature want more certainty with respect to the cost of a mandate, it may consider commissioning an independent actuarial analysis.
- Should the Legislature want more accurate information concerning the costs of the mandate to the Med-QUEST and EUTF systems, it may require the agencies to commission studies of their own.
- The Legislature needs to ensure Applied Behavioral Analysis network adequacy, especially for ASD patients on the Neighbor Islands.

While providing services for persons with ASD is important, we need to emphasize that, pursuant to the ACA, the cost of providing these services under a new mandate will not be a charge to the issuers, but must be borne by the State. And, that applies to plans sold both through and outside of the health insurance exchange. It is important that the Legislature clarifies the financial impact of a coverage mandate for those services on the community and the health care system. Consequently, the Legislature may wish to consider pursuing some or all of the additional studies recommended by the LRB.

Thank you for the opportunity to offer our comments on SB 2578.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD' or similar initials, followed by a long horizontal stroke.

Jennifer Diesman  
Vice President  
Government Relations

**From:** [Oren Chikamoto](#)  
**To:** [HTHTestimony](#)  
**Subject:** SB 2578, Relating to Health  
**Date:** Monday, January 27, 2014 7:59:58 AM

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Measure: SB 2578  
Date of Hearing: 1/28/14  
Time of Hearing: 8:30 am.  
Testifier: American Council of Life Insurers  
Position: Comment

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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [HTHTestimony](#)  
**Cc:** [lynhowe1946@yahoo.com](mailto:lynhowe1946@yahoo.com)  
**Subject:** \*Submitted testimony for SB2578 on Jan 28, 2014 08:30AM\*  
**Date:** Friday, January 24, 2014 7:42:39 PM

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**SB2578**

Submitted on: 1/24/2014

Testimony for HTH/CPN on Jan 28, 2014 08:30AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lyn Howe	Individual	Support	No

Comments:

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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [HTHTestimony](#)  
**Cc:** [kawasakimb@aol.com](mailto:kawasakimb@aol.com)  
**Subject:** Submitted testimony for SB2578 on Jan 28, 2014 08:30AM  
**Date:** Saturday, January 25, 2014 9:50:50 AM

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**SB2578**

Submitted on: 1/25/2014

Testimony for HTH/CPN on Jan 28, 2014 08:30AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Kawasaki	Individual	Comments Only	No

Comments: page4 line 20. Replace registered nurse practitioner with advanced practice registered nurse.

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COMMITTEE ON HEALTH  
Senator Josh Green, Chair  
Senator Rosalyn H. Baker, Vice Chair

COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Senator Rosalyn H. Baker Chair  
Senator Brian T. Taniguchi, Vice Chair

Gabrielle D. Toloza, Psy.D.  
40 Aulike St #411  
Kailua, HI 96734

January 26, 2014

In regards to SB2578 and SB2054 that requires health insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for autism spectrum disorders. I am in strong favor of both of these bills as they address a very real and serious need for coverage that private insurers should provide.

SB2578 emphasizes the need for these services for children under the age of 6. There is ample research based evidence that supports the use of intensive behaviorally based treatment programs as an early intervention is efficacious; and that children can make notable gains in functional communication, self-regulation that can impact them as learners in their future years.

SB2054 emphasizes the need for services for individuals under the age of 21. This is equally essential, the needs of children and young adults on the spectrum persist through their lifespan, but with continued intensive behavioral interventions the severity of impact on an individual and their family, and ultimately society, can be notably reduced.

I have a very strong connection to the autism community. Since 2000 I have worked in some capacity as a 1:1 support person, behavioral specialist, behavioral consultant in schools and homes and most recently as a mental health professional in private practice. I am the founder of Creative Connections Foundation, a small non-profit established in 2009 that aims to improve the social, emotional and behavioral functioning of youth and adults affected by Autism and other neurodevelopmental conditions. I am also in private practice as co-owner of Hawaii Center for children and Families, where I perform psychoeducational evaluations and develop in-home behaviorally based programs for children with Autism and related conditions; as well as provide individual, group and family therapy to the individual and families affected by Autism. Some of these services cost money and are not commonly covered by insurers, yet they are necessary and effective at improving the current and future functioning of children with Autism.

Availability and access to quality programs outside of the public education system are limited, but more importantly they are costly due to the intensity and duration that is commonly needed to make improvements. Necessary supports and interventions that are proven effective must be sought and paid for privately by parents. Families with limited income are not able to afford these quality programs and therefore experience limited progress for their children and teens. This legislation would help to increase access to care for individuals under 21 who previously may not have received adequate support.

A common argument is that children's needs should be serviced within the school system, I personally believe that this is not only impossible but an unfair expectation on our educators.



There is ample research to support the need for intensive behaviorally based programs that are team based and comprehensive in nature, thereby including the home and community environment. Without the funding such as this legislation would provide, families are left to rely solely on the school system or pay out of pocket a tremendous amount and the school systems are left bearing a responsibility much larger than intended. Sharing the responsibility with private insurance and allowing trained professionals with sufficient experience and training the ability to properly service these clients is the logical choice.

The only concern these bills raise for me as a professional in the field is that the

Thank you for the opportunity to share my perspective

Sincerely

Gabrielle Toloza, Psy.D.

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