
A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

1 PART I

2 SECTION 1. The State's worsening economy has impacted many
3 state programs, including those overseen by the department of
4 human services which serves the neediest populations in Hawaii.
5 A continued bleak economic outlook jeopardizes the services
6 provided by the department of human services. Families closest
7 to the poverty line will suffer the most with funding for basic
8 necessities being eliminated. The legislature finds that it is
9 important to reduce costs where possible in order to restore
10 many human services programs that are vital to our communities.

11 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
12 amended by adding a new section to be appropriately designated
13 and to read as follows:

14 "§346- QUEST managed care plans. (a) In contracting
15 with managed-care organizations for the provision of medicaid
16 benefits under the QUEST program, the department shall ensure:



1 (1) That each managed-care health plan includes provisions
2 for a copayment, which shall be not less than \$5 and
3 not more than \$20 for each:

4 (A) Office visit;

5 (B) Filling or re-filling of prescription drugs;

6 (C) Outpatient service; and

7 (D) Emergency-room visit;

8 provided that these copayments shall not be applied to
9 inpatient admission or services;

10 (2) That proposed copayment schedules in each managed-care
11 health plan are reviewed prior to implementation by
12 the managed-care organization;

13 (3) That a formulary for prescription drug coverage is
14 developed and mandated for use by each managed-care
15 health plan; and

16 (4) That the medical necessity provision, pursuant to
17 section 432E-1.4, is applied with respect to health
18 care coverage provided under each managed-care health
19 plan.

20 (b) Subsection (a) shall apply after January 1, 2011, and
21 shall be restricted to the provision of medical benefits to non-
22 pregnant adults over eighteen years of age.



1 (c) The department shall report annually to the
2 legislature on the aggregate number of recipients receiving
3 benefits under both QUEST and a private health care plan no
4 later than twenty days prior to the convening of each regular
5 session."

6 PART II

7 SECTION 3. The number of individuals who require treatment
8 for mental health issues is growing. Prescription medications,
9 such as psychotropic drugs, have become increasingly expensive
10 and are not always effective on every patient. With the current
11 difficult economic climate, alternatives must be explored to
12 implement cost saving measures while preserving an appropriate
13 level of care. The legislature believes that patients should
14 have access to necessary medication, the medication should also
15 be monitored for effectiveness, and the possibility of using
16 generic medications should be explored.

17 SECTION 4. Section 346-59.9, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§346-59.9 Psychotropic medication.** (a) This section
20 shall apply only to the QUEST, QUEST Expanded Access, and fee-
21 for-service programs administered by the department when the
22 department or the department's contracted health plan is the



1 primary insurer. When the department is the secondary insurer,
2 the department and its contracted health plans shall be
3 responsible for the secondary insurer's share of any
4 psychotropic medication covered by the primary insurer.

5 ~~[(a)]~~ (b) The department and its contracted health plans
6 shall not impose any restriction or limitation on the coverage
7 for, or a recipient's access to, [psychotropic medication;
8 provided that the psychotropic medication shall be prescribed by
9 a psychiatrist, physician, or an advanced practice registered
10 nurse with prescriptive authority under chapter 457, duly
11 licensed in the State.] antipsychotic medication.

12 (c) The department and its contracted health plans shall
13 not impose any restriction or limitation on the coverage for, or
14 a recipient's access to, antidepressant medication other than:

15 (1) Requiring that an individual must have two failed
16 attempts on a generic antidepressant medication to
17 receive coverage for all new brand antidepressant
18 prescriptions; and

19 (2) Requiring that if an individual does not have two
20 failed attempts on a generic antidepressant
21 medication, that individual shall receive coverage for
22 a brand-name antidepressant medication with prior



1 authorization by the prescriber; provided that one
2 three-day supply of the brand-name antidepressant
3 medication shall be covered if requested by the
4 prescriber while a prior authorization request
5 submitted by that prescriber is pending.

6 For purposes of this subsection, a "failed attempt" means
7 that the prescribed generic antidepressant at maximum approved
8 dosage is not effective in treating the individual or the
9 individual's compliance is compromised due to the side effects
10 caused by the medication.

11 (d) The department and its contracted health plans shall
12 not require any individual who is stable on a brand-name
13 antidepressant as of the effective date of Act , Session Laws
14 of Hawaii 2010, to transfer to a different antidepressant,
15 generic or brand-name, unless the individual becomes unstable
16 and requires the medication to be altered.

17 (e) The department and its contracted health plans shall
18 not require any individual who is stable on a brand-name anti-
19 anxiety medication as of the effective date of Act , Session
20 Laws of Hawaii 2010, to transfer to a different anti-anxiety
21 medication, generic or brand-name, unless the individual becomes
22 unstable and requires the medication to be altered.



1 (f) Measures to ensure patient safety shall not constitute
2 a restriction or limitation on the coverage for, or a
3 recipient's access to, a medication under subsections (b) and
4 (c).

5 [~~(b)~~] (g) The department shall report to the legislature
6 no later than twenty days before the convening of each regular
7 session on:

8 (1) The number of brand-name and generic prescriptions
9 written pursuant to this section; and

10 (2) The [~~cost and impact of psychiatrists, physicians, or~~
11 ~~advanced practice nurses prescribing medications,~~
12 ~~pursuant to this section, that are not part of the~~
13 ~~existing formulary; and~~

14 ~~(3) The overall use of psychotropic medication under~~
15 ~~chapter 346.] amount expended on brand-name and~~

16 generic prescriptions written each fiscal year

17 pursuant to this chapter.

18 (h) All psychotropic medications covered by this section
19 shall be prescribed by a psychiatrist, a physician, or an
20 advanced practice registered nurse with prescriptive authority
21 under chapter 457 and duly licensed in the State.

22 [~~(e)~~] (i) As used in this section[, "~~psychotropic~~]:



1 bear a larger cost for certain services for unclaimed corpses,
2 if necessary.

3 SECTION 6. Section 346-15, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "~~§346-15 [Burial of]~~ Death benefits for deceased medical
6 or financial assistance recipients [or] and disposition of
7 unclaimed corpses. (a) [The] Where the decedent was a medical
8 assistance or financial assistance recipient at the time of
9 death and is ineligible for the social security lump-sum death
10 benefit, the department of human services may [bear the cost of
11 the burial of deceased medical or financial assistance
12 recipients or unclaimed corpses. Burial services include the
13 customary mortuary, crematory, cemetery, and other services
14 essential in providing a dignified burial.] issue a lump-sum
15 death benefit in an amount equal to the Social Security
16 Administration's lump-sum death benefit for the year in which
17 the recipient died.

18 (b) [The department may pay for mortuary and crematory
19 services to be furnished by any licensed provider of mortuary
20 and crematory services. Mortuary and crematory payments shall
21 be made to the extent of cost, or in the sum of \$400, whichever
22 is less.] The department may authorize and bear the cost of the



1 mortuary and crematory services for unclaimed corpses furnished
2 by any licensed provider of mortuary or crematory services.
3 Payments for mortuary and crematory services shall be made to
4 the extent of the cost, or in the sum of \$800 in total,
5 whichever is less, for each unclaimed corpse.

6 ~~[(c) The department may pay for cemetery services, to be~~
7 ~~furnished by any licensed provider of cemetery services.~~
8 ~~Cemetery payments shall be made to the extent of cost, or in the~~
9 ~~sum of \$400, whichever is less.~~

10 ~~(d) In cases where the decedent is survived by relatives,~~
11 ~~the relatives shall be permitted to make their own arrangements~~
12 ~~for the burial or cremation of their deceased relative.~~

13 ~~(e) The person submitting an application for funeral~~
14 ~~payments under the department's funeral payment program,]~~

15 (c) Any person submitting an application for the lump-sum
16 death benefit described in subsection (a), on behalf of a
17 deceased medical or financial assistance recipient, shall have
18 sixty days from the date of the death of the deceased to submit
19 the application [for funeral payments] to the department. [This
20 subsection shall not apply to applications submitted by the
21 respective county medical examiner or coroner on behalf of
22 unclaimed corpses.



1 ~~(f)~~ All unclaimed corpses shall be cremated. The
2 ~~department of human services shall authorize the cremation of~~
3 ~~unclaimed corpses.~~

4 ~~(g)~~ (d) A person or public or private agency, including
5 the department of human services, shall not be liable for any
6 damage or subject to criminal prosecution for any act done
7 pursuant to and in compliance with this section.

8 ~~(h)~~ (e) For the purposes of this section, "unclaimed
9 corpse" means the remains of any deceased person for whom no one
10 has assumed responsibility for disposition of the body within
11 five working days, excluding weekends, from the date of death
12 and about whom the department and the respective county medical
13 examiner or coroner have no actual knowledge of a legally
14 responsible party.

15 ~~(i)~~ (f) The department shall adopt rules pursuant to
16 chapter 91 for purposes of administering and implementing this
17 section."

18 SECTION 7. The department of human services is prohibited
19 from expending any moneys from the medicaid budget on purposes
20 or programs that have not been specifically authorized by the
21 legislature. Moneys appropriated for medicaid programs may not
22 be transferred, shifted, moved, changed, or spent on any



1 programs other than programs directly related to medicaid or
2 programs specifically appropriated for by the legislature.

3 SECTION 8. If any provision of this Act, or the
4 application thereof to any person or circumstance is held
5 invalid, the invalidity does not affect other provisions or
6 applications of the Act, which can be given effect without the
7 invalid provision or application, and to this end the provisions
8 of this Act are severable.

9 SECTION 9. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 10. This Act shall take effect on July 1, 2050.



Report Title:

Department of Human Services; QUEST

Description:

Requires the department of human services to include certain provisions in each contract with managed care organizations for the provision of Medicaid benefits under QUEST; makes amendments to the QUEST psychotropic medication benefits; provides a state lump-sum death benefit in an amount equal to the Social Security Administration's lump-sum death benefit for deceased medical or financial assistance recipients who are ineligible for the Social Security Administration benefit. Prohibits the DHS from making any expenditures of funds appropriated for Medicaid on any programs not specifically related to Medicaid or not authorized by the Legislature. Effective July 1, 2050.

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

