



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 12, 2009

**LATE
Testimony**

MEMORANDUM

TO: Honorable John M. Mizuno, Chair
House Committee on Human Services

Honorable Ryan I. Yamane, Chair
House Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 824 – RELATING TO HUMAN SERVICES**
Hearing: Thursday, February 12, 2009, 10:00 AM.
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to require the State Medicaid QUEST and Fee-for-Service programs to cover chiropractic care.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) respectfully opposes this bill based on its impact on the funding priorities of the Executive Biennium Budget.

The bill, as written, will statutorily require the Department to cover chiropractic services in the Medicaid QUEST and the Medicaid Fee-For-Service programs using State general funds, effective January 1, 2010.

The Department would like to inform the Committee that none of the mandatory or optional Medicaid benefits in our Medicaid programs are mandated by statute as this bill proposes to do for chiropractic benefits. Therefore, in the event that allocated program funds are insufficient to meet statewide service demands, other Medicaid services may be subject to reductions while chiropractic services would have to be maintained because this bill, if passed, would mandate chiropractic services by statute.

Also, in order to receive Federal reimbursement, the Department would have to submit an amendment to the Hawaii Medicaid State Plan, which must be approved by the Federal Centers for Medicare & Medicaid Services (CMS), to add chiropractic services as a benefit. Even if a Federal match is approved for these services, a State share is still required for this expansion of benefits thus increasing cost to the State.

If approval is not received from CMS, and chiropractic services are required to be provided by statute as this bill proposes, State funding will be needed to continue chiropractic services in our Medicaid programs.

If the decision is made to cover chiropractic services in Medicaid, coverage policy should be consistent with that of Medicare as generally represented in local coverage determinations.

Thank you for the opportunity to testify on this bill.