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STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

February 13, 2014

- TO: The Honorable Mele Carroll, Chair House Committee on Human Services
- FROM: Barbara Yamashita, Acting Director

SUBJECT: H.B. 2115 - RELATING TO HEALTH

Hearing: Thursday, February 13, 2014; 9:30 a.m. Conference Room 329, State Capitol

**<u>PURPOSE</u>**: The purpose of this bill is to require Med-QUEST and Medicaid coverage

for chiropractic care, limited to 24 visits per calendar year.

**DEPARTMENT'S POSITION**: The Department of Human Services (DHS) provides comments for consideration on this measure.

The Med-QUEST Division currently covers chiropractic care for individuals under 21 years of age with no limits if determined that the visits are medically necessary under the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program.

If Medicaid is required to cover chiropractic services for medical assistance recipients over 21 years of age with a maximum of 24 visits per year, the DHS estimates that it would require an appropriation of \$7,582,649 in State funds based on initial calculations.

In addition, language in the measure refers to coverage of chiropractic services to QUEST recipients beginning January 1, 2015. The DHS has received approval from the Centers for Medicare and Medicaid Services (CMS) and awarded contracts to combine the QUEST and QUEST Expanded Access (QExA) programs with services commencing January 1, 2015 under the program name QUEST Integration. Therefore references to QUEST throughout the bill should be amended to read as "QUEST Integration".

Thank you for the opportunity to testify on this measure.

## HOUSE OF REPRESENTATIVES THE TWENTY-SEVENTH LEGISLATURE REGULAR SESSION OF 2014

## COMMITTEE ON HUMAN SERVICES Rep. Mele Carroll, Chair Rep. Bertrand Kobayashi, Vice Chair

DATE: Thursday, February 13, 2014 TIME: 9:30AM PLACE: Conference Room 329

Aloha, Chair Carroll, Vice Chair Kobayashi and members of the committees:

## I am writing in support of HB 2115

My name is Gary Saito and I represent the Hawaii State Chiropractic Association as its President and Executive Director. I have been a practicing chiropractor in the State of Hawaii for 26 years. In that time, I have had the privilege of providing medical treatments to thousands of our citizens.

Some of them can access my services through their insurance benefits. Some of them are able to afford chiropractic care by using their personal finances. Many people, however, are not so fortunate. Chiropractic care that most of us take for granted is unavailable to them because it is not provided for in the medical coverage they have. Yet, statistically, they can be expected suffer the same conditions and disabilities for which others have the means to receive treatments.

Offering chiropractic services in Medicaid could help to improve physical health, increase functional capacity, and prevent disabling conditions that now worsen their living situations because of inattention to their physical needs.

More than 25 other states include chiropractic in their Medicaid programs. The Centers for Medicare and Medicaid Services (CMS) already lists chiropractic as a pre-approved service for Medicaid.

The U.S. Department of Health and Human Services, Office of Inspector General, reviewed chiropractic services in the Medicaid program of many participating states and determined that chiropractic services accounted for a very small part of benefit expenses (.0031-.5777% of total annual expenses in the states reviewed). They went on to say in their report that "State reported utilization data show no discernible trends suggesting explosive growth in Medicaid expenditures."

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Despite this national assessment of the cost of chiropractic services, Hawaii's Department of Human Services has not joined other states in offering chiropractic care for its eligible beneficiaries.

Chiropractic care is mistakenly seen as an <u>add-on cost</u> to the program, but, in fact, it will be a <u>replacement cost</u> because beneficiary utilization of chiropractic care will have the effect of reducing costs now associated with medical services and drug costs. Drug costs already exceed physician costs nationally. Chiropractic is the nation's largest doctoral level holistic and nondrug health care profession in the United States. We feel that Medicaid beneficiaries should have both access and choice.

<u>I urge you to pass HB 2115</u>. Thank you for the opportunity to provide testimony on this important issue.

Sincerely,

Gary Saito, DC President, HSCA



House Committee on Human Services The Hon. Mele Carroll, Chair The Hon. Bertrand Kobayashi, Vice Chair

## Testimony in Support of House Bill 2115 <u>Relating to Health</u> Submitted by Robert Hirokawa, Chief Executive Officer February 13, 2014, 9:30 am, Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 2115, requiring state Medicaid program to cover the cost of chiropractic services.

Chiropractic care has been demonstrated to aid in the full and proper functioning of the human body. This includes activating natural healing processes, reduced recovery times, and stress maintenance. It can also be used to directly target a host of maladies, including back and neck conditions, Sciatica, joint pain, Carpal Tunnel Syndrome, migraine headaches, fibromyalgia, arthritis, and sleep disorders.

The HPCA believes in a holistic medical approach, of which chiropractic care is a useful tool. For these reasons, we support this measure and thank you for the opportunity to testify.