
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 PART I

2 SECTION 1. Critically ill patients in Hawaii may require
3 treatment on the continental United States. The cost of
4 transportation by an air ambulance can be a significant
5 financial burden that may not be covered by insurance.

6 Commercial flights are not an option because the patient
7 requires life supporting equipment and a medical support team.

8 For patients requiring transportation to the continental
9 United States, their only options are to mortgage their homes,
10 drain retirement savings, borrow from family or friends, or
11 establish a Gofundme.com campaign to raise funds. During the
12 time that a family is fundraising for a sick loved one, the
13 patient's condition can deteriorate rapidly and reduce the
14 chance of recovery. In addition, if the delay is too great,
15 then the accepting facility may give the patient's bed to
16 another individual and the patient is forced to find another
17 accepting facility.



1 The legislature finds that Medicaid currently covers the
2 cost of transportation for Hawaii's most needy families, but
3 those who are middle-income earners and working full-time do not
4 receive coverage for the cost of transportation to the
5 continental United States. The legislature also finds that due
6 to Hawaii's unique position in the middle of the Pacific Ocean,
7 residents deserve to receive life-saving medical care that is
8 not available in the State.

9 The purpose of this part is to ensure the provision of
10 quality health care by requiring insurance coverage for the
11 costs of medically necessary transportation to the continental
12 United States for qualifying patients.

13 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
14 amended by adding a new section to article 10A to be
15 appropriately designated and to read as follows:

16 "§431:10A- Qualifying patients; transportation cost
17 coverage. Notwithstanding any law to the contrary, each policy
18 of accident and health or sickness insurance issued or renewed
19 in this State after December 31, 2018, providing coverage for
20 health care, except for policies that only provide coverage for
21 specified diseases or other limited benefit coverage, shall



1 provide coverage for the costs of medically necessary
2 transportation from the State to the continental United States
3 for qualifying patients for the purpose of obtaining treatment.

4 For purposes of this section, "qualifying patient" is
5 defined by a medical provider's team as a patient that meets all
6 of the following criteria:

- 7 (1) The patient displays a high risk of imminent death
8 despite optimal available treatment in the State;
- 9 (2) The patient has a diagnosis of a potentially
10 reversible disease or is a potential candidate for a
11 heart or lung, or both, transplant, destination
12 ventricular assist device, or total artificial heart;
- 13 (3) The medically necessary out-of-state treatment as
14 defined in chapter 432E, for the patient is not
15 available in the State;
- 16 (4) The patient shall not have any known absolute
17 contraindications to the out-of-state treatment being
18 sought;
- 19 (5) The patient does not have end stage dementia, anoxic
20 brain injury, terminal cancer, or a premonitory
21 condition with a short term expected survival; and



1 (6) The patient is not being transported for the sole
2 purpose of cancer treatment or bone marrow
3 transplant."

4 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
5 amended by adding a new section to article I to be appropriately
6 designated and to read as follows:

7 "§432:1- Qualifying patients; transportation cost
8 coverage. Notwithstanding any law to the contrary, each
9 hospital and medical service plan contract issued or renewed in
10 this State after December 31, 2018, shall provide coverage for
11 the costs of medically necessary transportation from the State
12 to the continental United States for qualifying patients for the
13 purpose of obtaining treatment.

14 For purposes of this section, "qualifying patient" is
15 defined by a medical provider's team as a patient that meets all
16 of the following criteria:

- 17 (1) The patient displays a high risk of imminent death
18 despite optimal available treatment in the State;
19 (2) The patient has a diagnosis of a potentially
20 reversible disease or is a potential candidate for a



- 1 heart or lung, or both, transplant, destination
2 ventricular assist device, or total artificial heart;
3 (3) The medically necessary out-of-state treatment as
4 defined in chapter 432E, for the patient is not
5 available in the State;
6 (4) The patient shall not have any known absolute
7 contraindications to the out-of-state treatment being
8 sought;
9 (5) The patient does not have end stage dementia, anoxic
10 brain injury, terminal cancer, or a premorbid
11 condition with a short term expected survival; and
12 (6) The patient is not being transported for the sole
13 purpose of cancer treatment or bone marrow
14 transplant."

15 SECTION 4. Section 432D-23, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "§432D-23 Required provisions and benefits.

18 Notwithstanding any provision of law to the contrary, each
19 policy, contract, plan, or agreement issued in the State after
20 January 1, 1995, by health maintenance organizations pursuant to
21 this chapter, shall include benefits provided in sections



1 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116, 431:10A-
2 116.2, 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120,
3 431:10A-121, 431:10A-122, 431:10A-125, 431:10A-126, 431:10A-132,
4 431:10A-133, 431:10A-140, [and] 431:10A-134, and 431:10A- , and
5 chapter 431M."

6 SECTION 5. Notwithstanding section 432D-23, Hawaii Revised
7 Statutes, the coverage and benefits for the medically necessary
8 transportation costs for qualifying patients provided by health
9 maintenance organizations under section 4 of this part shall
10 apply to all policies, contracts, plans, or agreements issued or
11 renewed in this State by a health maintenance organization after
12 December 31, 2018.

13 PART II

14 SECTION 6. The purpose of this part is to require the
15 auditor to conduct a study to assess the social and financial
16 effects of requiring health insurers, hospital and medical
17 services plans, and health maintenance organizations to provide
18 coverage for the costs of medically necessary transportation to
19 the continental United States for medical treatment for
20 qualifying patients



1 SECTION 7. (a) The auditor shall conduct a study to
2 assess the impact of the social and financial effects of
3 requiring health insurers, hospital and medical services plans,
4 and health maintenance organizations to provide coverage for the
5 costs of medically necessary transportation to the continental
6 United States for medical treatment for qualifying patients, as
7 provided in part I of this Act.

8 (b) Pursuant to section 23-52, Hawaii Revised Statutes, in
9 determining the social impact of the proposed mandate of health
10 coverage, the study shall include:

- 11 (1) The extent to which the treatment or service is
12 generally utilized by a significant portion of the
13 population;
- 14 (2) The extent to which such insurance coverage is already
15 generally available;
- 16 (3) If coverage is not generally available, the extent to
17 which the lack of coverage results in persons being
18 unable to obtain necessary health care treatment;
- 19 (4) If the coverage is not generally available, the extent
20 to which the lack of coverage results in unreasonable
21 financial hardship on those persons needing treatment;



- 1 (5) The level of public demand for the treatment or
- 2 service;
- 3 (6) The level of public demand for individual or group
- 4 insurance coverage of the treatment or service;
- 5 (7) The level of interest of collective bargaining
- 6 organizations in negotiating privately for inclusion
- 7 of this coverage in group contracts;
- 8 (8) The impact of providing coverage for the treatment or
- 9 service (such as morbidity, mortality, quality of
- 10 care, change in practice patterns, provider
- 11 competition, or related items); and
- 12 (9) The impact of any other indirect costs upon the costs
- 13 and benefits of coverage as may be deemed necessary by
- 14 the auditor.
- 15 (c) Pursuant to section 23-52, Hawaii Revised Statutes, in
- 16 determining the financial impact of the proposed mandate of
- 17 health coverage, the study shall include:
- 18 (1) The extent to which insurance coverage of the kind
- 19 proposed would increase or decrease the cost of the
- 20 treatment or service;



Report Title:

Insurance Coverage; Transportation Costs; Qualifying Patients;
Mandated Coverage; Auditor Study

Description:

Requires insurance coverage after December 31, 2018, for the costs of medically necessary transportation to the continental United States for medical treatment for qualifying patients. Requires the auditor to conduct a study to assess the social and financial impacts of mandating certain health insurers and plans to provide coverage for the costs of medically necessary transportation to the continental United States for medical treatment for qualifying patients. (HB687 HD2)

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