

STAND. COM. REP. NO.

1297

Honolulu, Hawaii

MAR 23 2023

RE: H.B. No. 907  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred H.B. No. 907, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TELEHEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize reimbursement of services provided through telehealth by way of an interactive telecommunications system.

Your Committee received testimony in support of this measure from the Department of Human Services, Disability and Communication Access Board, University of Hawaii John A. Burns School of Medicine, The Hawaiian Islands Association for Marriage and Family Therapy, National Association of Social Workers - Hawai'i, Hawai'i Primary Care Association, AARP Hawai'i, OhanaPsych, Hawai'i Psychological Association, Alzheimer's Association - Hawaii, Hawaii Substance Abuse Coalition, Epilepsy Foundation of Hawaii, Hawai'i Pacific Health, Hawai'i Public Health Institute, American Cancer Society Cancer Action Network, Hawaii Medical Association, AlohaCare, and eighteen individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Department of the Attorney General, and Hawaii Medical Service Association.



Your Committee finds that the State faces a continued shortage of health care providers, making telehealth an important tool that enables individuals to access health care, particularly on the neighbor islands and in rural areas. Your Committee finds however, that the definition of "telehealth" in terms of health insurance coverage, has traditionally required both audio and video capabilities, making it difficult to be utilized by elderly patients, as well as medically- and socially-complex patients, who often face limited broadband access and may experience difficulty navigating the technological aspects of traditional telehealth. Your Committee further finds that the federal Centers for Medicare and Medicaid Services authorizes coverage of audio-only services used in the treatment of mental health and substance abuse, under certain circumstances, allowing federally qualified health centers and rural health clinics to use audio-only telehealth to care for remote patients. This measure authorizes the use of standard telephone contacts for telehealth purposes in certain circumstances to ensure coverage parity across managed care plans and commercial health care plans in the State.

Your Committee notes that interested stakeholders in the health care community in this State have discussed potential amendments to this measure to further clarify the reimbursement provisions for audio-only communication telehealth services, and that their consensus language was incorporated into S.B. No. 1038, S.D. 2 (2023), which is the companion to this measure that was previously passed by the Senate. Amendments to this measure are therefore necessary to incorporate this consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that reimbursement for services provided through telehealth via an interactive telecommunications system shall be equivalent to reimbursement for the same services provided via face-to-face contact between a health care provider and a patient; provided that reimbursement for two-way, real-time audio-only communication technology for purposes of diagnosis, evaluation, or treatment of a mental health disorder to a patient in their home shall be equivalent to eighty per cent of the reimbursement for the same services provided via face-to-face contact between a health care provider and a patient; provided further that the health



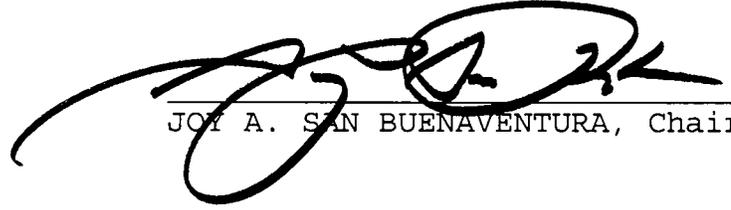
care provider has conducted an in-person or telehealth visit with the patient no longer than six months prior to the audio-only service and at least twelve months prior to any subsequent audio-only visit;

- (2) Clarifying that "interactive telecommunications system" has the same meaning as the term is defined in title 42 Code of Federal Regulations section 410.78(a), as amended; provided that, as used in the definition of "interactive telecommunications system", "two-way, real-time audio-only communication" is subject to the same meaning and conditions as in title 42 Code of Federal Regulations section 410.78, as amended;
- (3) Clarifying that standard telephone contacts, facsimile transmissions, or e-mail text, in combination or alone, do not constitute telehealth services, except as otherwise provided in state law;
- (4) Amending section 453-1.3, the Hawaii Revised Statutes, to conform to the amendments made by this measure;
- (5) Amending section 1 to reflect its amended purpose;
- (6) Making it effective upon its approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 907, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 907, H.D. 2, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.



Respectfully submitted on  
behalf of the members of the  
Committee on Health and Human  
Services,



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JOY A. SAN BUENAVENTURA, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Health and Human Services**  
**HHS**

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 907 HD2</i>	<i>HHS, CAP</i>	<i>3/15/23</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
MORIWAKI, Sharon Y.	✓			
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton				✓
<b>TOTAL</b>	<i>4</i>			<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes