

---

---

## A BILL FOR AN ACT

RELATING TO AUTISM.

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

1           SECTION 1. The legislature finds that applied behavioral  
2 analysis is a medically necessary service for young people with  
3 autism, which can decrease the cost of care for persons with  
4 autism over their lifetimes. The department of human services'  
5 med-QUEST division covers applied behavioral analysis services  
6 for persons with autism up to twenty-one years of age. However,  
7 med-QUEST patients are sometimes unable to access recommended  
8 services due to the unavailability of providers.

9           The legislature further finds that med-QUEST reimbursement  
10 rates for applied behavioral analysis have not increased since  
11 2015. Since that time, the Hawaii labor market has experienced  
12 significant wage pressure and med-QUEST beneficiaries must  
13 compete for applied behavioral analysis services with the  
14 private sector and other government programs, such as the  
15 department of education and department of health, which offer  
16 significantly higher reimbursement rates.



1           At the request of the legislature, a report was submitted  
2 in December 2023 based on a study commissioned by the med-QUEST  
3 division and conducted by actuarial firm Milliman.  
4 Reimbursement rates and costs were researched for a broad range  
5 of applied behavioral analysis services. Three rate scenarios  
6 were modeled in the study, all of which exceeded existing rates.  
7 The lowest rate is based on the fiftieth percentile Bureau of  
8 Labor Statistics wage blend for direct care staff, while the  
9 highest rate is based on the seventy-fifth percentile of the  
10 same data. The medium rate is based on the median direct care  
11 staff wage from a survey of applied behavioral analysis service  
12 providers.

13           Furthermore, the legislature finds that modeled rates for  
14 individual one-to-one services increased significantly for all  
15 scenarios. However, modeled rates for group services decreased  
16 for the lowest and medium rate scenarios. Part of the decrease  
17 stems from the fact that indirect time has become separately  
18 billable since the med-QUEST division rates were set and is thus  
19 not included in the rate. Another reason is that group rates  
20 were decreased to reflect the number of members served  
21 simultaneously, rather than allowing the same rate to be charged



1 concurrently for each client, which is the med-QUEST division's  
2 existing guideline.

3 The legislature also finds that the lowest-rate scenario  
4 requires a composite rate change of 33.9 per cent and will  
5 require \$2,690,000 in state funds, which will be matched by a  
6 corresponding \$3,810,000 increase in federal funds. Moreover,  
7 the legislature finds that the concomitant increase in federal  
8 matching funds will result in a greater impact on the  
9 reimbursement rates received by applied behavioral analysis  
10 service providers.

11 Therefore, the purpose of this Act is to appropriate funds  
12 to increase funding for the department of human services' med-  
13 QUEST division reimbursement for applied behavioral analysis  
14 services.

15 SECTION 2. There is appropriated out of the general  
16 revenues of the State of Hawaii the sum of \$ or so  
17 much thereof as may be necessary for fiscal year 2024-2025 to  
18 increase funding for applied behavioral analysis services;  
19 provided that the department of human services shall obtain the  
20 maximum federal matching funds available for this expenditure;  
21 provided further that the department of human services shall



# H.B. NO. 2712

1 pursue all funding sources available to the State, including  
2 private grants, prior to expending any general revenues  
3 appropriated pursuant to this Act.

4 The sum appropriated shall be expended by the department of  
5 human services for the purposes of this Act.

6 SECTION 3. In accordance with section 9 of article VII of  
7 the Hawaii State Constitution and sections 37-91 and 37-93,  
8 Hawaii Revised Statutes, the legislature has determined that the  
9 appropriations contained in H.B. No. , will cause the state  
10 general fund expenditure ceiling for fiscal year 2024-2025 to be  
11 exceeded by \$ or per cent. In addition, the  
12 appropriation contained in this Act will cause the general fund  
13 expenditure ceiling for fiscal year 2024-2025 to be further  
14 exceeded by \$ or per cent. The combined total  
15 amount of general fund appropriations contained in only these  
16 two Acts will cause the state general fund expenditure ceiling  
17 for fiscal year 2024-2025 to be exceeded by  
18 \$ or per cent. The reasons for exceeding the  
19 general fund expenditure ceiling are that:

- 20 (1) The appropriation made in this Act is necessary to  
21 serve the public interest; and



# H.B. NO. 2712

1           (2) The appropriation made in this Act meets the needs  
2           addressed by this Act.

3           SECTION 4. This Act shall take effect on July 1, 2024.

4

INTRODUCED BY: *Lisa Mather*  
JAN 24 2024



# H.B. NO. 2712

**Report Title:**

Autism; Applied Behavioral Analysis Services; Appropriation;  
Expenditure Ceiling

**Description:**

Appropriates funds to increase the funding for applied behavioral analysis services for persons with autism. Requires the Department of Human Services to obtain maximum federal matching funds and pursue all other funding sources.

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

