

JAN 17 2025

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The legislature recognizes that the State has a
2 duty to protect and improve the health and environment of the
3 people. The legislature finds that a number of state residents
4 suffer from depression. The legislature also finds that
5 according to an article published in Current Neuropharmacology,
6 the use of ketamine is a valid antidepressant option for the
7 treatment of treatment-resistant depression and has rapid
8 antidepressant effects.

9 The legislature also recognizes that according to ketamine
10 clinics throughout the State, intravenous ketamine therapy is
11 typically conducted once every few weeks, in a controlled
12 environment with psychologist present. This form of treatment
13 increases neuroplasticity quicker than nasal spray (esketamine)
14 treatment, which carries a higher risk of addiction due to
15 frequent dosing, typically twice per week, and administration of
16 those doses outside of a controlled environment. However,
17 patients who attempt to obtain intravenous ketamine therapy



1 often cannot proceed, due to the high cost of the treatment,
2 which is approximately \$700 per session. Mandating insurance
3 coverage for intravenous ketamine therapy would allow more
4 patients to access the treatment.

5 The legislature notes that according to the department of
6 human services, the use of ketamine for treatment-resistant
7 depression is an "off-label" use, and that federal medicaid
8 funds may not be spent for that used. Clinics have also noted
9 that it will be difficult to obtain approval from the United
10 State Food and Drug Administration for the use of ketamine for
11 treatment-resistant depression, as long-established generic
12 treatments are already in the market, and approval from the
13 Administration typically requires financial backing from a
14 pharmaceutical company.

15 Nevertheless, the legislature believes that in light of
16 Hawaii's mental health crisis, insurance should cover
17 intravenous ketamine therapy to treat treatment-resistant
18 depression.

19 Accordingly, the purpose of this Act is to:

- 20 (1) Require medicaid and private insurance to cover
21 intravenous ketamine therapy to treat depression; and



(2) Appropriate state moneys to the state medicaid program to facilitate coverage of intravenous ketamine therapy.

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§346- Coverage for intravenous ketamine therapy.
Beginning on January 1, 2026, the State's medicaid programs shall provide coverage for per cent of the costs of intravenous ketamine therapy to treat depression in qualifying patients, as determined by licensed psychiatrists, medical doctors, or other medical professionals authorized to prescribe ketamine."

SECTION 3. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part I of article 10A to be appropriately designated and to read as follows:

"§431:10A- Coverage for intravenous ketamine therapy.
Each individual or group policy of accident and health or sickness insurance policy issued or renewed in this State on or after January 1, 2026, shall provide to the policyholder and individuals covered under the policy coverage for per cent



1 of the costs of intravenous ketamine therapy to treat depression
2 in qualifying patients, as determined by licensed psychiatrists,
3 medical doctors, or other medical professionals authorized to
4 prescribe ketamine."

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

8 **"§432:1- Coverage for intravenous ketamine therapy.**

9 Each individual or group hospital or medical service plan
10 contract issued or renewed in this State on or after January 1,
11 2026, shall provide to the member and individuals covered under
12 the plan contract coverage for _____ per cent of the costs of
13 intravenous ketamine therapy to treat depression in qualifying
14 patients, as determined by licensed psychiatrists, medical
15 doctors, or other medical professionals authorized to prescribe
16 ketamine."

17 SECTION 5. Section 432D-23, Hawaii Revised Statutes, is
18 amended to read as follows:

19 **"§432D-23 Required provisions and benefits.**

20 Notwithstanding any provision of law to the contrary, each
21 policy, contract, plan, or agreement issued in the State after



1 January 1, 1995, by health maintenance organizations pursuant to
2 this chapter, shall include benefits provided in sections
3 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,
4 431:10A-116.2, 431:10A-116.5, 431:10A-116.6, 431:10A-119,
5 431:10A-120, 431:10A-121, 431:10A-122, 431:10A-125, 431:10A-126,
6 431:10A-132, 431:10A-133, 431:10A-134, 431:10A-140, and
7 [~~431:10A-134~~], 431:10A-, and chapter 431M."

8 SECTION 6. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so
10 much thereof as may be necessary for fiscal year 2025-2026 and
11 the same sum or so much thereof as may be necessary for fiscal
12 year 2026-2027 for costs arising from the coverage of
13 intravenous ketamine therapy required or authorized under
14 section 2 of this Act.

15 The sums appropriated shall be expended by the department
16 of human services for the purposes of this Act.

17 SECTION 7. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 8. This Act shall take effect on July 1, 2025;
20 provided that section 2 of this Act shall take effect upon



1 approval of the Hawaii medicaid state plan by the Centers for
2 Medicare and Medicaid Services.

3

INTRODUCED BY:

Kurt Faulk



S.B. NO. 967

Report Title:

Health Insurance; Medicaid; Mandated Coverage; Ketamine Therapy; Appropriations

Description:

Requires Medicaid and private insurance coverage for intravenous ketamine therapy to treat depression. Appropriates moneys.

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