
A BILL FOR AN ACT

RELATING TO MENTAL HEALTH.

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

1 SECTION 1. The legislature finds that the State faces a
2 severe shortage of licensed mental health professionals,
3 resulting in long waitlists for mental health services and
4 significant barriers to care for medicaid beneficiaries. The
5 legislature further finds that allowing unlicensed,
6 pre-licensed, or trainee mental health professionals to provide
7 services under the clinical supervision of a licensed mental
8 health professional, and ensuring these services are eligible
9 for medicaid prospective payment system reimbursement, will
10 expand the State's mental health workforce and improve timely
11 access to care.

12 The legislature finds that enabling supervised pre-licensed
13 mental health professionals to serve medicaid beneficiaries will
14 increase the number of qualified providers available to
15 low-income individuals and families, help reduce waitlists, and
16 fill critical gaps in the behavioral health system. The
17 legislature also finds that medicaid reimbursement will provide



1 needed income stability for pre-licensed mental health
2 professionals, who often cannot bill insurance while completing
3 required clinical hours, and lead to a stronger mental health
4 care workforce pipeline in the State.

5 The legislature further finds that expanding medicaid
6 prospective payment system reimbursement to services provided by
7 supervised pre-licensed mental health professionals promotes
8 mental health equity by ensuring financial status does not
9 impede access to necessary services. Additionally, working with
10 medicaid populations provides valuable training and professional
11 development opportunities for early-career mental health
12 professionals, contributing to a more skilled and culturally
13 responsive mental health workforce.

14 Accordingly, the purpose of this Act is to:

15 (1) Expand the services eligible for medicaid prospective
16 payment system reimbursement to include certain
17 services furnished by a federally qualified health
18 center or rural health clinic and provided by mental
19 health professionals under the clinical supervision of
20 a licensed mental health professional; and



1 (2) Require the department of human services to adopt
2 rules for this purpose.

3 SECTION 2. Section 346-53.64, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) Services eligible for prospective payment system
6 reimbursement are those services that are furnished by a
7 federally qualified health center or rural health clinic that
8 are:

9 (1) Within the legal authority of a federally qualified
10 health center to deliver, as defined in section 1905
11 of the Social Security Act;

12 (2) Actually provided by the federally qualified health
13 center, either directly or under arrangements;

14 (3) Covered benefits under the medicaid program, as
15 defined in section 4231 of the State Medicaid Manual
16 and the Hawaii medicaid state plan;

17 (4) Provided to a recipient eligible for medicaid
18 benefits;

19 (5) Delivered exclusively by health care professionals,
20 including [~~physicians, physician's~~];



1 (A) Physicians, physician assistants, [~~nurse~~
 2 practitioners,] advanced practice registered
 3 nurses, nurse midwives, clinical social workers,
 4 clinical psychologists, and other persons acting
 5 within the lawful scope of their license or
 6 certificate to provide services; or

7 (B) Mental health professionals, as defined in
 8 section 577-29; provided that the mental health
 9 professional shall be under the clinical
 10 supervision of a licensed mental health
 11 professional, as defined in section 577-29;

12 (6) Provided at the federally qualified health center's
 13 practice site, a hospital emergency room, in an
 14 inpatient setting, at the patient's place of
 15 residence, including long term care facilities, or at
 16 another medical facility; and

17 (7) Within the scope of services provided by the State
 18 under its fee-for-service medicaid program and its
 19 medicaid managed care program, on and after August
 20 1994, and as amended from time to time."



1 SECTION 3. The department of human services shall adopt
2 rules pursuant to chapter 91, Hawaii Revised Statutes, to allow
3 medical assistance reimbursement payments to medicaid
4 beneficiaries covered by a health plan under the State's
5 medicaid managed care program for services provided by a mental
6 health professional under the clinical supervision of a licensed
7 mental health professional. The rules shall:

- 8 (1) Require that the mental health professional be
9 enrolled in an accredited bachelor's, master's, or
10 doctoral degree behavioral health training program;
- 11 (2) Establish supervision standards that recognize:
- 12 (A) Supervision competence is a distinct professional
13 competency that requires targeted education,
14 training, and experience and an ongoing process
15 of maintenance of competence in the competency
16 domains being supervised; and
- 17 (B) Quality supervision requires regular, documented,
18 and competency-based supervision that prioritizes
19 patient safety, ethical practice, and
20 professional growth, which includes a minimum of
21 mandatory weekly training meetings, frequent live



1 observation of clinical work, review of charting
2 and documentation, and adherence to state
3 licensing and insurance regulations;

4 (3) Require that the beneficiary is notified of the mental
5 health professional's qualifications and the
6 supervisory relationship between the mental health
7 professional and the licensed mental health
8 professional; and

9 (4) Require that the beneficiary be allowed to request
10 that services be provided by a fully licensed
11 professional or the supervising licensed mental health
12 professional and that the request be honored.

13 For the purposes of this section, "licensed mental health
14 professional" and "mental health professional" have the same
15 meanings as those terms are defined in section 577-29, Hawaii
16 Revised Statutes.

17 SECTION 4. The department of human services shall seek
18 waivers and any additional approvals from the Centers for
19 Medicare and Medicaid Services necessary to implement this Act.

20 SECTION 5. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 6. This Act shall take effect on July 1, 3000;
2 provided that sections 2 and 3 of this Act shall take effect
3 upon approval and be enforceable only to the extent approved by
4 the Centers for Medicare and Medicaid Services.



Report Title:

DHS; Medicaid; Prospective Payment System; Reimbursement; Mental Health Services; Mental Health Professionals; Rules

Description:

Expands the services eligible for Medicaid Prospective Payment System reimbursement to include certain services furnished by a federally qualified health center or rural health clinic and provided by mental health professionals under the clinical supervision of a licensed mental health professional. Requires the Department of Human Services to adopt rules for this purpose and seek federal approvals as necessary. Specifies that implementation is contingent upon and only to the extent approved by the Centers for Medicare and Medicaid Services. Effective 7/1/3000. (HD2)

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