

STAND. COM. REP. NO. 2904

Honolulu, Hawaii

**MAR 06 2026**

RE: S.B. No. 2089  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2089, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MENTAL HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to address the State's behavioral health workforce shortage and to facilitate the timely provision of mental health services for Medicaid beneficiaries.

Specifically the measure:

- (1) 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 a mental health professional under the clinical supervision of a licensed mental health professional;
- (2) Provides that the term "mental health professional" in this context has the same meaning as defined in section 577-29, Hawaii Revised Statutes; and
- (3) Requires the Department of Human Services to:



- (A) Adopt rules, pursuant to chapter 91, Hawaii Revised Statutes, to allow medical assistance reimbursement payments for services provided to recipients eligible for Medicaid benefits under any plan under Medicaid managed care programs in the State by unlicensed mental health professionals under the clinical supervision of a licensed mental health professional; and
- (B) Seek waivers and any additional approvals from the Centers for Medicare and Medicaid Services as necessary to implement the measure.

Your Committee received written comments in support of this measure from the State Health Planning and Development Agency, Office of Hawaiian Affairs, and two individuals.

Your Committee received written comments on this measure from the Department of Human Services, Hawaii State Center for Nursing, Aloha Independent Living Hawaii, and Hawaii Medical Association.

Your Committee finds that the State's severe shortage of licensed mental health professionals has resulted in long waitlists for mental health services and significant barriers to accessing mental health care for Medicaid beneficiaries. Your Committee also finds that pre-licensed mental health professionals often cannot bill insurance providers while completing the supervised clinical hours required to become a licensed mental health professional. Your Committee recognizes that allowing these pre-licensed and trainee mental health professionals to provide services under the supervision of licensed mental health professionals, and ensuring these services are eligible for Medicaid prospective payment system reimbursement, will help support the State's mental health workforce pipeline, provide valuable experience for new mental health professionals, and ensure more timely access to mental health care.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2089, S.D. 1, and recommends that it pass Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



