

ACT 86

H.B. NO. 326

A Bill for an Act Relating to Health Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§346- Medical foods and low-protein modified food products; treatment of inborn error of metabolism; notice. (a) Public assistance recipients in this State who receive medical assistance pursuant to this chapter shall be allowed coverage for medical foods and low-protein modified food products for the treatment of an inborn error of metabolism; provided that the medical food or low-protein modified food product is:

- (1) Prescribed as medically necessary for the therapeutic treatment of an inborn error of metabolism; and
- (2) Consumed or administered enterally under the supervision of a physician licensed under chapter 453 or 460.

The department shall adopt rules pursuant to chapter 91 to effectuate this subsection.

(b) All health maintenance organizations and prepaid health plans with which the department executes risk contracts for the provision of medical care to eligible public assistance recipients shall provide notice to their members regarding the coverage required by this section. The notice shall be in writing and prominently placed in any literature or correspondence sent to members and shall be transmitted to members within calendar year 2000 when annual information is made available to members, or in any other mailing to members, but in no case later than December 31, 2000.

(c) For the purposes of this section:

“Inborn error of metabolism” means a disease caused by an inherited abnormality of the body chemistry of a person that is characterized by deficient metabolism, originating from congenital defects or defects arising shortly after birth, of amino acid, organic acid, carbohydrate, or fat.

“Low protein modified food product” means a food product that:

- (1) Is specially formulated to have less than one gram of protein per serving;
- (2) Is prescribed or ordered by a physician as medically necessary for the dietary treatment of an inborn error of metabolism; and
- (3) Does not include a food that is naturally low in protein.

“Medical food” means a food that is formulated to be consumed or administered enterally under the supervision of a physician and is intended for the specific dietary management of a disease or condition for which distinctive nutritional

requirements, based on recognized scientific principles, are established by medical evaluation.”

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to article 10A to be appropriately designated and to read as follows:

“§431:10A- Medical foods and low-protein modified food products; treatment of inborn error of metabolism; notice. (a) Each policy of accident and sickness insurance, other than life insurance, disability income insurance, and long-term care insurance, issued or renewed in this State, each employer group health policy, contract, plan, or agreement issued or renewed in this State, all health insurance policies issued or renewed in this State, all policies providing family coverages as defined in section 431:10A-103, and all policies providing reciprocal beneficiary family coverage as defined in section 431:10A-601, shall contain a provision for coverage for medical foods and low-protein modified food products for the treatment of an inborn error of metabolism for its policyholders or dependents of the policyholder in this State; provided that the medical food or low protein modified food product is:

- (1) Prescribed as medically necessary for the therapeutic treatment of an inborn error of metabolism; and
- (2) Consumed or administered enterally under the supervision of a physician licensed under chapter 453 or 460.

Coverage shall be for at least eighty per cent of the cost of the medical food or low-protein modified food product prescribed and administered pursuant to this subsection.

(b) Every insurer shall provide notice to its policyholders regarding the coverage required by this section. The notice shall be in writing and prominently placed in any literature or correspondence sent to policyholders and shall be transmitted to policyholders during calendar year 2000 when annual information is made available to policyholders, or in any other mailing to policyholders, but in no case later than December 31, 2000.

(c) For the purposes of this section:

“Inborn error of metabolism” means a disease caused by an inherited abnormality of the body chemistry of a person that is characterized by deficient metabolism, originating from congenital defects or defects arising shortly after birth, of amino acid, organic acid, carbohydrate, or fat.

“Low-protein modified food product” means a food product that:

- (1) Is specially formulated to have less than one gram of protein per serving;
- (2) Is prescribed or ordered by a physician as medically necessary for the dietary treatment of an inborn error of metabolism; and
- (3) Does not include a food that is naturally low in protein.

“Medical food” means a food that is formulated to be consumed or administered enterally under the supervision of a physician and is intended for the specific dietary management of a disease or condition for which distinctive nutritional requirements, based on recognized scientific principles, are established by medical evaluation.”

SECTION 3. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to article 1 to be appropriately designated and to read as follows:

“§432:1- Medical foods and low-protein modified food products; treatment of inborn error of metabolism; notice. (a) All individual and group hospital and medical service plan contracts and medical service corporation con-

tracts under this chapter shall provide coverage for medical foods and low-protein modified food products for the treatment of an inborn error of metabolism for its members or dependents of the member in this State; provided that the medical food or low-protein modified food product is:

- (1) Prescribed as medically necessary for the therapeutic treatment of an inborn error of metabolism; and
- (2) Consumed or administered enterally under the supervision of a physician licensed under chapter 453 or 460.

Coverage shall be for at least eighty per cent of the cost of the medical food or low-protein modified food product prescribed and administered pursuant to this subsection.

(b) Every mutual benefit society shall provide notice to its members regarding the coverage required by this section. The notice shall be in writing and prominently placed in any literature or correspondence sent to members and shall be transmitted to members during calendar year 2000 when annual information is made available to members, or in any other mailing to members, but in no case later than December 31, 2000.

(c) For the purposes of this section:

“Inborn error of metabolism” means a disease caused by an inherited abnormality of the body chemistry of a person that is characterized by deficient metabolism, originating from congenital defects or defects arising shortly after birth, of amino acid, organic acid, carbohydrate, or fat.

“Low-protein modified food product” means a food product that:

- (1) Is specially formulated to have less than one gram of protein per serving;
- (2) Is prescribed or ordered by a physician as medically necessary for the dietary treatment of an inherited metabolic disease; and
- (3) Does not include a food that is naturally low in protein.

“Medical food” means a food that is formulated to be consumed or administered enterally under the supervision of a physician and is intended for the specific dietary management of a disease or condition for which distinctive nutritional requirements, based on recognized scientific principles, are established by medical evaluation.”

SECTION 4. Chapter 432D-23,¹ Hawaii Revised Statutes, is amended to read as follows:

“**[§432D-23] Required provisions and benefits.** Notwithstanding any provision of law to the contrary, each policy, contract, plan, or agreement issued in the State after January 1, 1995, by health maintenance organizations pursuant to this chapter, shall include benefits provided in sections 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116, 431:10A-116.5, [and] 431:10A-116.6, 431:10A-, and chapter 431M.”

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.²

SECTION 6. This Act shall take effect upon its approval.

(Approved June 23, 1999.)

Notes

1. So in original.

2. Edited pursuant to HRS §23G-16.5.