**A BILL FOR AN ACT**

RELATING TO INSURANCE

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII

SECTION 2. Section 431M-4, Hawaii Revised Statutes, is amended to read as follows:

(a)  Alcohol and drug dependence benefits shall be as follows:

1. Detoxification services as a covered benefit under this chapter shall be provided either in a hospital or in a nonhospital facility that has a written affiliation agreement with a hospital for emergency, medical, and mental health support services. The following services shall be covered under detoxification services:

(A) Room and board;

(B) Diagnostic x-rays;

(C) Laboratory testing; and

(D) Drugs, equipment use, special therapies, and supplies.

1. Detoxification services shall be included as part of the covered in-hospital services;
2. Alcohol or drug dependence treatment through in-hospital, nonhospital residential, or day treatment substance abuse services as a covered benefit under this chapter shall be provided in a hospital or nonhospital facility. Before a person qualifies to receive benefits under this subsection, a qualified physician, psychologist, licensed clinical social worker, licensed marriage and family therapist, licensed mental health counselor, or advanced practice registered nurse shall determine that the person suffers from alcohol or drug dependence, or both; provided that the substance abuse services covered under this paragraph shall include those services that are required for licensure and accreditation. Excluded from alcohol or drug dependence treatment under this subsection are detoxification services and educational programs to which drinking or drugged drivers are referred by the judicial system and services performed by mutual self-help groups;
3. Alcohol or drug dependence outpatient services as a covered benefit under this chapter shall be provided under an individualized treatment plan approved by a qualified physician, psychologist, licensed clinical social worker, licensed marriage and family therapist, licensed mental health counselor, or advanced practice registered nurse and shall be services reasonably expected to produce remission of the patient's condition. An individualized treatment plan approved by a licensed marriage and family therapist, licensed mental health counselor, licensed clinical social worker, or an advanced practice registered nurse for a patient already under the care or treatment of a physician or psychologist shall be done in consultation with the physician or psychologist; and
4. Substance abuse assessments for alcohol or drug dependence as a covered benefit under this section for a child facing disciplinary action under section 302A-1134.6 shall be provided by a qualified physician, psychologist, licensed clinical social worker, advanced practice registered nurse, or certified substance abuse counselor. The certified substance abuse counselor shall be employed by a hospital or nonhospital facility providing substance abuse services. The substance abuse assessment shall evaluate the suitability for substance abuse treatment and placement in an appropriate treatment setting.
5. Medications approved by the federal Food and Drug Administration (FDA) for the treatment of substance use disorders shall not be subject to any prior authorization requirements.
6. Medications approved by the FDA for the treatment of substance use disorders shall not be subject to any step therapy requirements.
7. All medications approved by the FDA for the treatment of substance use disorders shall be placed on the lowest tier of the drug formulary.
8. Coverage for prescription medications approved by the FDA for the treatment of substance use disorders and any associated counseling or wraparound services shall not be denied on the grounds that such medications and services were court ordered.

(b)  Mental illness benefits.

1. Covered benefits for mental health services set forth in this subsection shall be limited to coverage for diagnosis and treatment of mental disorders. All mental health services shall be provided under an individualized treatment plan approved by a physician, psychologist, licensed clinical social worker, licensed marriage and family therapist, licensed mental health counselor, advanced practice registered nurse, or licensed dietitian treating eating disorders, and must be reasonably expected to improve the patient's condition. An individualized treatment plan approved by a licensed clinical social worker, licensed marriage and family therapist, licensed mental health counselor, advanced practice registered nurse, or a licensed dietitian treating eating disorders, for a patient already under the care or treatment of a physician or psychologist shall be done in consultation with the physician or psychologist;
2. In-hospital and nonhospital residential mental health services as a covered benefit under this chapter shall be provided in a hospital or a nonhospital residential facility. The services to be covered shall include those services required for licensure and accreditation;
3. Mental health partial hospitalization as a covered benefit under this chapter shall be provided by a hospital or a mental health outpatient facility. The services to be covered under this paragraph shall include those services required for licensure and accreditation; and
4. Mental health outpatient services shall be a covered benefit under this chapter.

SECTION 2. This act shall take effect on July 1, 2019.