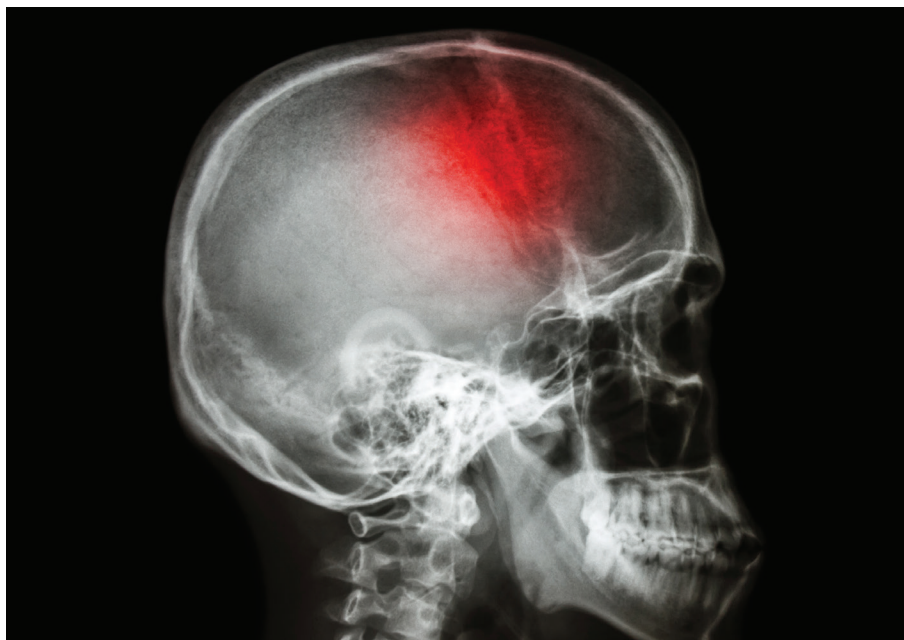


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# Auditor's Summary

## Study of Proposed Mandatory Health Insurance for Cognitive Rehabilitation Therapy

Report No. 17-13



Traumatic brain injury is defined as damage to the brain caused by an external force that may produce a diminished or altered state of consciousness and may result in an impairment of cognitive abilities or physical functioning.

It does not include damage to the brain by degenerative or congenital causes.

### It's Already Covered

**IN THE 2017 LEGISLATIVE SESSION**, the Hawai'i State Legislature contemplated mandating insurance coverage for cognitive rehabilitation therapy. In Report No. 17-13, *Study of Proposed Mandatory Health Insurance for Cognitive Rehabilitation Therapy*, we surveyed Hawai'i's health-plan providers and found that their plans currently provide coverage for medically necessary cognitive rehabilitation therapy for traumatic brain injury patients. In fact, current coverage exceeds the Legislature's requirements in Senate Bill No. 225, S.D. 1, which proposes a maximum benefit of \$300,000 per insured, unless the individual and group hospital or medical service plan contract states otherwise. Hawai'i health-plan providers do not currently have any lifetime or annual limits on cognitive rehabilitation therapy for traumatic brain injury in their plans.

#### **Social and Financial Impacts of Senate Bill No. 225, S.D. 1**

State law requires an impact assessment by the Auditor before any legislative measure mandating health insurance coverage for a specific health service, disease, or provider can be considered. In our examination of the potential social and financial effects of mandating health insurance coverage for cognitive rehabilitation therapy for patients suffering from traumatic brain injury, we found that an average of almost 13,000 Hawai'i residents sustained traumatic brain injuries each year from 2011 through 2015. In addition, from June 2016 to May 2017, Queen's Medical Center

treated and discharged 863 trauma patients, of which 840 patients (or 97 percent) were expected to require cognitive rehabilitation treatment. Since health insurance coverage currently exists, we found the social and financial impacts to survivors of traumatic brain injury likely would not change if coverage was mandated.

#### **Recommendation**

Because the coverage that Senate Bill No. 225, S.D. 1, seeks to mandate is currently provided — and even exceeded — by Hawai'i's health plan providers, we recommend that mandatory coverage insurance for medically necessary cognitive rehabilitation therapy for patients suffering from traumatic brain injury is not currently needed.

