

# OVERVIEW

THE AUDITOR  
STATE OF HAWAII

## Study of Proposed Mandated Health Insurance for Acupuncture Services

### Summary

Senate Concurrent Resolution No. 61, Senate Draft 1, House Draft 1, of the Regular Session of 1995 requested the State Auditor to assess the social and financial impacts of mandated health insurance coverage for acupuncture services. The resolution did not designate a bill that defined the mandated insurance coverage being proposed.

Acupuncture services include treatment for pain relief, analgesia, functional disorders and abnormal conditions. Licensed medical doctors and dentists may refer patients to acupuncturists for treatment and conversely, acupuncturists may refer patients beyond the practitioner's scope of treatment to a medical doctor or dentist. Acupuncturists are regulated in Hawaii by an independent regulatory board.

Because there was no legislative proposal defining the scope of services and types of treatments to be covered, we were unable to determine which procedures or services should be considered for this study. However, the responses from HMSA, Kaiser Health Plan, employers and employee groups indicated that interest or demand for coverage is low or nil. Although a large nationwide population utilizes unconventional treatment such as acupuncture and are willing to pay out of pocket for this service, this situation has not caused Hawaii's workforce to negotiate for insurance coverage.

Coverage for acupuncture services is already provided by some Hawaii insurers. Coverage is also provided under Hawaii's workers' compensation and no-fault automobile insurance laws. Also, insurance coverage for acupuncture services may be provided as an optional rider to existing coverage as an insurer's option. If coverage is mandated, costs for insurance premiums are expected to increase.

We concluded that mandated coverage for acupuncture services is not warranted at this time because of the low demand, probable increased costs, and the coverage already available.

### Response

The Department of Health agreed with our assessment that mandating coverage for acupuncture services is not warranted at this time. The department



stated that it is generally not in favor of mandating additional benefits unless there is visible and compelling evidence of the proposed service being cost effective, preventive of disease, and otherwise not available to individuals in Hawaii.

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