2025 Health Care Affordability State Policy Snapshot

HAWAII

ADDRESS CONSOLIDATION AND PROMOTE COMPETITION	**Consolidation Oversight**	**Facility Fee Limits**	**Anti-Competitive Contract Provisions**		
MEDICAL DEBT PREVENTION	**Balance Billing and Short-Term Insurance**	**Charity Care and Community Benefit**	**Reducing Financial Consequences**		
IMPROVE OVERSIGHT, ACCOUNTABILITY AND TRANSPARENCY	**Health Care Spending Oversight**	**Prescription Drug Affordability Board**	**All-Payer Claims Database**	**Price Transparency**	
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REDUCE COST-SHARING FOR PATIENTS	**Prescription Drugs**	**Behavioral Health**	**Preventive Care**	**Maternal and Reproductive Health Care**	**Cancer Screening and Testing Services**

HEALTHCARE VALUE HUB

State Has Active Legislation

State Does Not Have Active Legislation

The Health Care Value Hub ("the Hub") is proud to launch the 2025 Health Care Affordability Policy Snapshot ("Affordability Snapshot"). The Affordability Snapshot provides legislators, consumer advocates, regulators and other interested parties a tool to compare their state's health policies across other states.

The categories examined in this resource explore a variety of policy options that impact health care affordability. Policies were examined for whether they were active, implemented to a limited degree, or not active as of June 1, 2025. Sources for this information can be found in the downloadable **Data and Source Document available on the Dashboard page. Definitions and descriptions for each policy category can be found in the Glossary.**

The Hub offers online and hands-on support with staff dedicated to understanding health care policy and connecting advocates and other interested parties together to help build a patient-centered, high-value healthcare system. As a research-based organization, the Hub takes a comprehensive approach to improving affordability through policy analysis, translation, visualization, and collaborative engagement. We encourage advocates, legislators, and other stakeholders to share our findings to improve consumer health care affordability across the states.

Address Consolidation and Promote Competition

Consolidation Oversight

Policy	Status as of June 2025	Summary
Transaction Notification Required	● Requires health systems or providers to notify the state of consolidation transactions	Hawaii law requires anyone acquiring a hospital to notify the Attorney General at least 90 days prior to the transaction.
Authority to Modify or Reject Consolidation Transactions	● Has authority to approve, set conditions, or disapprove consolidation transactions	Hospital acquisitions in Hawaii are subject to approval by the state Health Planning and Development Agency, which has the authority to approve, set conditions for, or disapprove hospital acquisitions. The Attorney General determines whether approval is necessary, and can exercise authority to approve or disapprove if the transaction is not in the public interest.
Affordability Criteria included in Transaction Review	● Includes consumer affordability or price growth in review criteria, approval conditions, or both	When reviewing proposed hospital acquisitions, the Hawaii Health Planning and Development Agency examine the impact on consumer access to affordable care and whether the acquisition is in the public interest. State law provides that, "an acquisition of a private nonprofit hospital is not in the public interest unless appropriate steps have been taken to safeguard the value of charitable assets and ensure that any proceeds of the transaction are used for appropriate charitable health care purposes."

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program * No Source, or Limited Information Found

Address Consolidation and Promote Competition

Facility Fees

Policy	Status as of June 2025	Summary
Prohibits Facility Fees	⊗ State does not prohibit providers from charging any facility fees	
Facility Fee Transparency Laws	⊗ State does not require providers to disclose facility fees to consumers, requires off-campus outpatient departments to identify the physical location where care was provided on claims forms, or both	
Limits Cost-Sharing for Facility Fees	⊗ The state has no laws that limit the amount a patient may be billed out-of-pocket for facility fees	

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program * No Source, or Limited Information Found

Address Consolidation and Promote Competition

Anti-Competitive Contract Provisions

Policy	Status as of June 2025	Summary
Restricts All-or-Nothing Contract Provisions	⊗ No law restricting All-or-Nothing contract provisions	
Restricts Anti-Tiering and Anti-Steering Contract Provisions	⊗ No law restricting Anti-Tiering or Anti-Steering contract provisions	
Restricts Physician Noncompete Clauses	⊗ No statutes limiting physician non-competes	
Restricts Most-Favored Nation Contract Provisions	⊗ No law restricting Most Favored Nation contract provisions	

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Medical Debt Prevention

Balance Billing and Short-Term Insurance

Policy	Status as of June 2025	Summary
Prohibits Balance Billing for Ground Ambulance Services	⊗ Does not prohibit balance billing for out-of-network ground ambulance services	
Prohibits Short-Term, Limited Duration Health Plans	● State law has eliminated short-term, limited duration health plans	STLD health plans aren't explicitly banned in the state, but strict regulations have effectively removed them from the market.

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Medical Debt Prevention

Charity Care and Community Benefit

Policy	Status as of June 2025	Summary
Mandated Hospital Charity Care	⊗ State law does not require hospitals to provide free or discounted care to low-income patients	
Hospital Charity Care Screening Requirements	⊗ State does not require health care providers to screen patients for Medicaid, Marketplace, or charity care eligibility before collecting payment	
Hospital Charity Care Notification Requirement	⊗ State does not require health care providers to notify patients of charity care options before collecting payment	
Hospital Community Benefit Reporting Requirement	⊗ State law does not require hospitals to annually report the amount of charity care provided	

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program ✱ No Source, or Limited Information Found

Medical Debt Prevention

Reducing Financial Consequences

Policy	Status as of June 2025	Summary
Mandates Waiting Prior to Collections	⊗ State law does not require a waiting period before sending medical debts to collections	
Limits on Liens or Foreclosures due to Medical Debt	⊗ State law does not prohibit initiating a lien or foreclosure to collect medical debt	
Limits Wage Garnishment due to Medical Debt	● State law does not exceed federal wage garnishment protections for residents with medical debt	State consumer protections against wage garnishment debt exceed federal protections.
Limits on the Amount of Interest Charged to Medical Debt	⊗ The state has not enacted a law to limit interest rates for medical debt	

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Curb Excess Costs in the System

Premium Rate Review

Policy	Status as of June 2025	Summary
Effective Rate Review per Centers for Medicare and Medicaid Services (CMS)	Has an effective rate review process	
Authority to Modify or Reject Premium Rate Increases	Has the authority to modify or reject premium rate increases	Hawaii has the authority to approve or deny rate filings in in the individual, large group, and small group market.
Affordability Criteria Included in Premium Rate Review	Does not incorporate affordability criteria into premium rate review	

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Curb Excess Costs in the System

Hospital Price Regulation

Policy	Status as of June 2025	Summary
Medicare Reference-Based Pricing	⊗ State does not use reference-based pricing tied to Medicare rates to regulate hospital pricing	
Hospital Global Budgets	● State has implemented hospital global budgets	In 2024, Hawaii was selected to participate in the Achieving Healthcare Efficiency through Accountable Design (AHEAD) Model, a state total cost of care (TCOC) model.

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Curb Excess Costs in the System

Affordable Coverage

Policy	Status as of June 2025	Summary
Public Option	⊗ State does not offer an active public option insurance plan	
Public Option Includes Provider Participation Mandate	⊗ State does not does not offer a public option, with or without a participation mandate	
Basic Health Plan	⊗ State does not operate a Basic Health Plan	
State-Based Premium Subsidies	⊗ State does not offer supplementary state-funded premium subsidies	

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Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Biologic Substitution Laws: Prescriber Permission Requirements	State does not require express authorization for biologic substitution	
Biologic Substitution Laws: Prescriber Notification Requirements	Pharmacists are required to notify prescribers of biologic substitution	Pharmacists in Hawaii are required to notify the prescribing physician of a substitution within two business days.
Drug Purchasing Consortium	State does not participate in a drug purchasing consortium*	
Drug Coupon Prohibitions	State does not prohibit the use of drug manufacturer coupons*	
Medicaid Managed Care Organization (MCO) Carve Out	State Medicaid carves out any drug classes from their MCO benefits (see note)*	As of July 1, 2023, Hawaii carves out the following drugs/classes from MCO benefits: Spinal muscular atrophy agents.
Mandatory Generics in Medicaid Fee-for-Service (FFS)	Medicaid Fee-for-Service (FFS) programs and pharmacists are required to substitute a generic version of a drug	Hawaii has policies or tools to promote mandatory generics.

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Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Supplemental Rebate Programs	⊗ Medicaid Pharmacy Supplemental Rebate Agreement (SRA) not in place	
Drug Rebate Transparency and Reporting Requirements	● Pharmacy benefit managers are required to report rebate data to the state	
Spread Pricing Restrictions	⊗ State does not prohibit pharmacy benefit managers from engaging in spread pricing	
Pharmacy Reimbursement and Clawbacks	⊗ State does not prohibit PBMs from retroactively reducing reimbursement to pharmacies (“clawbacks”)	
Cost-Disclosure and Gag Clause Restrictions	⊗ State law does not prohibit gag clauses in pharmacy contracts	
Prohibits Copay Accumulator Programs	⊗ State does not prohibit copay accumulator programs	Hawaii’s Senate Bill 1381 (2023) repealed regulations on pharmacy benefit managers, citing that they placed excessive burdens outside the Department of Health’s authority. In plan year 2025, however, all health plans in the state chose not to use copay accumulator adjustment policies.

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Curb Excess Costs in the System

Medicaid Costs

Policy	Status as of June 2025	Summary
Prohibits Balance Billing for Ground Ambulance Services	⊗ Does not prohibit balance billing for out-of-network ground ambulance services	
Prohibits Short-Term, Limited Duration Health Plans	● State law has eliminated short-term, limited duration health plans	STLD health plans aren't explicitly banned in the state, but strict regulations have effectively removed them from the market.

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Medicaid Services and Immigrant Coverage

Medicaid Administration

Policy	Status as of June 2025	Summary
Medicaid Managed Care (MCO)	State partners with MCOs to operate their Medicaid program	Hawaii MCOs cover children, CHIP recipients, current and former foster care recipients, pregnant women, parents/caretakers, adults, ABD (adult, non-pregnant and state-funded) recipients, and other recipients.
Medical Loss Ratio (MLR) Remittances for Medicaid Managed Care Population	State requires MLR remittances for its Medicaid managed care population	
Medicaid Site Neutral Payments	State has not enacted Medicaid site neutral payment legislation*	
Medicaid Vendor — Eligibility and Enrollment	State contracts with a vendor for Medicaid enrollment or eligibility*	
Integrated Medicaid-Medicare	State integrates Medicare-Medicaid to coordinate care for the dually eligible population	Hawaii has either or a combination of both highly integrated or fully integrated dual eligible special needs programs (HIDE/FIDE).

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Medicaid Services and Immigrant Coverage

Medicaid Covered Services

Policy	Status as of June 2025	Summary
Medicaid Coverage for Fertility Services	⊗ State Medicaid program does not cover infertility treatments or fertility preservation services	
Medicaid Coverage for Doula Services	⊗ The state Medicaid program does not reimburse doula services	
Medicaid Coverage for Abortion Care	● State Medicaid program utilizes state-based funds to cover abortion care	
Medicaid Coverage for Transition-Related Care	◉ State Medicaid program does not explicitly cover transition-related care for adults	State Medicaid has no explicit and/or clear policy regarding transition-related healthcare for adults due to conflicting anti-discrimination and coverage exclusion policies.
Medicaid Coverage for Hearing Aids	● State Medicaid program covers hearing aids for all adults	
Medicaid Coverage for Eye Exams and Glasses	◉ State Medicaid program covers only eye exams or eyeglasses but not both, or biannually or less frequently, or restricts coverage based on age or health condition (see notes)	Exams and glasses covered biannually.
Medicaid Coverage for Dental Services	● State Medicaid program covers preventive and diagnostic dental services, extractions, dentures, root canals, fillings, and crowns for adults	

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Medicaid Services and Immigrant Coverage

Medicaid Eligibility

Policy	Status as of June 2025	Summary
Medicaid Expansion	State has expanded Medicaid eligibility to 138% FPL	
Retroactive Medicaid	State retroactively extends Medicaid benefits less than 90 days prior to application date or only for select enrollees (see note)	Three months of retroactive Medicaid coverage is only available to Hawaii residents eligible for long-term care services. All other applicants may be provided retroactive Medicaid coverage for costs incurred in the ten days prior to the date of the application.
Adult Medicaid Continuous Eligibility	State has not authorized 12-month continuous eligibility for non-pregnant adult Medicaid enrollees*	
12-Month Postpartum Coverage	State has authorized 12-month postpartum Medicaid coverage	
Medicaid Available to People who are Incarcerated	State has not authorized Medicaid coverage for justice-involved individuals while they are in a correctional setting*	Hawaii has an approved waiver to provide Medicaid pre-release coverage for individuals who are incarcerated, and the state is in process of implementation, but is not yet in effect as of June 2025.
Medicaid ABD Asset Limits	State has not expanded the asset limit for Medicaid for the Elderly and Disabled eligibility beyond $2,000 for an individual applicant and $3,000 for joint applicants	
Medicaid ABD Life Insurance Exemption	Life insurance exemption limits do not exceed $1,500	
Medicaid ABD Retirement Account Exemptions	State does not exempt retirement savings from Medicaid eligibility determinations	

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Medicaid Services and Immigrant Coverage

Immigrant Coverage

Policy	Status as of June 2025	Summary
From Conception to End of Pregnancy (FCEP)	⊗ Does not cover pregnancy-related services through the CHIP From-Conception-to-End-of-Pregnancy (FCEP) Option or post-partum coverage	
Immigrant Children without a Five-Year Bar	● State offers coverage for lawfully residing immigrant children without a five-year bar	
Pregnant Immigrants without a Five-Year Bar	● Offers coverage for lawfully residing pregnant immigrants without a five-year bar	
State-Funded Coverage for Children Regardless of Citizenship Status	⊗ Does not offer coverage for children regardless of immigration status	
State-Funded Coverage for Adults Regardless of Citizenship Status	⊗ Does not offer coverage for adults regardless of immigration status	

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Improve Oversight, Accountability, and Transparency

All-Payer Claims Database

Policy	Status as of June 2025	Summary
Established an All-Payer Claims Database (APCD)	State has a(n) all-payer or multi-payer claims database	
All-Payer Claims Database (APCD) Operated by the State	APCD is operated by the state	

Prescription Drug Affordability Board

Policy	Status as of June 2025	Summary
Established Prescription Drug Affordability Board (PDAB)	The state has not established or passed legislation to establish a prescription drug affordability board	
Prescription Drug Upper Payment Limits	The state has not established Upper Payment Limits for prescription drugs	

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Improve Oversight, Accountability, and Transparency

Price Transparency

Policy	Status as of June 2025	Summary
Service Cost Price Transparency Tool	⊗ State does not have a public-facing price transparency tool	
Prescription Drug Price Reporting Requirement	⊗ Organizations are not required to report prescription drug price information to a state entity	

Health Care Spending Oversight

Policy	Status as of June 2025	Summary
Health Care Spending Benchmark	⊗ State has not established a health care spending benchmark for providers, insurance carriers, or both	
Authority to Enforce Health Care Spending Benchmark	⊗ State has not established a health care spending benchmark, with or without enforcement mechanisms	
Hospital or Primary Care Spending Oversight Entity	● State monitors and reports hospital spending, primary care spending, or both	Hawaii's Medicaid Managed Care Organization reports on primary care spending. *Additional information on primary care spending was not found

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Reduce Cost-Sharing for Patients

Reduce Cost-Sharing: Prescription Drugs

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Diabetes Medications	⊗ State has not enacted legislation limiting cost-sharing for insulin, diabetes related equipment, or both	
Waives or Reduces Cost-Sharing for Asthma Inhalers	⊗ State has not enacted legislation limiting cost-sharing for asthma inhalers	
Waives or Reduces Cost-Sharing for Epinephrine Auto-Injectors	⊗ State has not enacted legislation to limit cost-sharing for prescription epinephrine autoinjector (s)	
Waives or Reduces Cost-Sharing for Specialty Drugs	⊗ State has not enacted legislation to limit cost-sharing for specialty drugs	

Reduced Cost-Sharing: Behavioral Health

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for an Annual Behavioral Health Office Visit	⊗ State does not require private insurers to cover at least one annual mental health wellness exam without cost-sharing	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Preventive Care

Policy	Status as of June 2025	Summary
Waives Cost-Sharing for Preventive Services Recommended by the U.S. Preventive Services Task Force (USPSTF)	⊗ State does not mandate private insurers cover USPSTF recommended preventive services without cost-sharing	Hawaii lawmakers introduced SB 2604 and HB 1966 in 2024, which would have required health insurers to cover preventive services recommended by the U.S. Preventive Services Task Force without any cost-sharing. However, the bills did not advance.

Reduced Cost-Sharing: Maternal and Reproductive Health Care

Policy	Status as of June 2025	Summary
Individual and Small Group Health Plans Required to Cover Fertility Treatment	● The state requires individual and small group health plans to offer coverage for in-vitro fertilization alone or in addition to fertility preservation services	Hawaii requires insurance policies that provide pregnancy-related benefits to include one-time coverage for in-vitro fertilization as long as certain requirements are met. Standard fertility preservation services are not mandated to be covered.
Individual and Small Group Health Plans Required to Cover Doula Services	⊗ State does not require private health insurers to cover doula services for enrollees	
Individual and Small Group Health Plans Required to Cover Abortion Services	⊗ The state does not require individual and small group health plans to cover abortion services	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Colorectal Cancer Screenings	State law requires insurers to cover colorectal cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Follow-Up Colorectal Cancer Screening Exams	State law does not require coverage or waive cost-sharing for follow-up colorectal cancer screening exams*	
Waives or Reduces Cost-Sharing for Lung Cancer Screenings	State law does not require coverage or waive cost-sharing for lung cancer screening exams*	

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Cervical Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for cervical cancer screening exams	Legislation to expand mandatory health insurance coverage for cervical cancer screening was introduced in 2024, but the bills died in committee.
Waives or Reduces Cost-Sharing for Breast Cancer Screenings	◉ State law requires insurers to cover breast cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Supplementary Breast Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for supplementary breast cancer screening exams	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Prostate Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for prostate cancer screening exams*	
Waives or Reduces Cost-Sharing for Ovarian Cancer Screening	⊗ State law does not require coverage or waive cost-sharing for ovarian cancer screening exams*	
Waives or Reduces Cost-Sharing for Biomarker Testing for Cancer	⊗ State does not require coverage or waive cost-sharing for biomarker testing	Legislation to require the Hawaii state auditor to assess the social and financial effects of mandatory health insurance coverage for biomarker testing was introduced in 2025, but both bills died in committee. Additionally, legislation requiring mandatory coverage of biomarker testing was introduced in 2025, but these bills also died in committee.

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