

STAND. COM. REP. NO.

671

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 250
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 250, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Examine prior authorization practices in the State by requiring utilization review entities to report certain data to the State Health Planning and Development Agency;
- (2) Establish timelines for the approval of prior authorization requests to reduce delays for urgent and non-urgent health care services; and
- (3) Establish the Health Care Appropriateness and Necessity Working Group to make recommendations to improve and expedite the prior authorization process.

Your Committee received testimony in support of this measure from the Department of Health; State Health Planning and Development Agency; Hawai'i Association of Professional Nurses; Hawaii Academy of Family Physicians; 'Ahahui o nā Kauka; Hawaii Medical Association; Mohala Health LLC; American College of

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Obstetricians and Gynecologists, Hawaii Section; East Hawaii Independent Physicians Association; and three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association. Your Committee received comments on this measure from the Hawaii Association of Health Plans.

Your Committee finds that prior authorization is a health plan cost control process that requires physicians, other health care professionals, and hospitals to obtain advance approval from a health plan before a specific service to a patient to qualify for payment or coverage. Your Committee further finds that prior authorization imposes unnecessary delays in treatment. For example, in one survey, eighty-three percent of requests are subsequently overturned by the health plan. This measure streamlines and increases transparency of the prior authorization process.

Your Committee has amended this measure by:

- (1) Extending the deadline, from twenty-four hours to fourteen days, by which a health care facility or health care professional is required to submit requested information before the facility or professional would be required to submit a new prior authorization request to a utilization review entity;
- (2) Amending the composition of the Health Care Appropriateness and Necessity Working Group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 250, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 250, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



SCOT Z. MATAYOSHI, Chair



HSCR 671

Bill/Resolution No.: HB 250, HD1	Committee Referral: HLT, CPC, FIN	Date: 2/11/25
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)		
CPC Members	Ayes	Ayes (WR)
1. MATAYOSHI, Scot Z. (C)	<input checked="" type="checkbox"/>	
2. CHUN, Cory M. (VC)	<input checked="" type="checkbox"/>	
3. ILAGAN, Greggor	<input checked="" type="checkbox"/>	
4. ICHIYAMA, Linda	<input checked="" type="checkbox"/>	
5. IWAMOTO, Kim Coco	<input checked="" type="checkbox"/>	
6. KONG, Sam Satoru	<input checked="" type="checkbox"/>	
7. LOWEN, Nicole E.	<input checked="" type="checkbox"/>	
8. MARTEN, Lisa	<input checked="" type="checkbox"/>	
9. TAM, Adrian K.	<input checked="" type="checkbox"/>	
10. PIERICK, Elijah	<input checked="" type="checkbox"/>	
TOTAL (10)	10	
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center;">committee acronym(s)</div>		
Vice Chair's or designee's signature: _____		
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO		