

STAND. COM. REP. NO.

1778

Honolulu, Hawaii

, 2025

APR 02

RE: S.B. No. 1411
S.D. 2
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 S.B. No. 1411, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID THIRD PARTY LIABILITY,"

begs leave to report as follows:

The purpose of this measure is to amend third party liability provisions for Medicaid programs for payment as required under the federal Consolidated Appropriations Act, 2022.

Your Committee received testimony in support of this measure from the Department of Human Services and one individual.

Your Committee finds that section 202 of Division P of the Consolidated Appropriations Act, 2022, P.L. 117-103 (section 202), amends section 1902(a)(25)(I) of the Social Security Act to require states to have laws that bar responsible third-party payers (other than Medicare plans) from refusing payment for an item or service solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules. Specifically, if the responsible third party requires prior authorization for an item or a service furnished to a Medicaid-eligible individual, the responsible third party must accept the authorization provided by the state that the item or

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service is covered under the state plan (or waiver of such plan) for the individual, as if such authorization was made by the third party for the item or service.

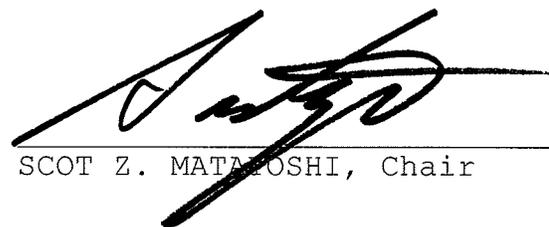
Your Committee further finds that measure amends state law to be in compliance with the requirements of section 202 and will allow the Department of Human Services to submit a federally required Medicaid State Plan Amendment attesting to such, which it cannot do without the amendments proposed in this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to upon approval; and
- (2) 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 S.B. No. 1411, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1411, S.D. 2, H.D. 2.

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



SCOT Z. MATSUMOSHI, Chair



