

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1411
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 1411 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify third-party liability provisions for medical assistance program claims 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.

Your Committee finds that section 202 of the Consolidated Appropriations Act, 2022, amended section 1902(a)(25)(I) of the Social Security Act to require state Medicaid programs to have state laws in place that bar responsible third-party payers, other than Medicare plans, from refusing payment for an item or service solely on the basis that the item or service did not receive prior authorization under the third-party payer's rules. Your Committee further finds that the amendments also modified the requirement for a third-party payer to respond to a state inquiry regarding a health claim that is submitted no later than three years after the provision of the item or service to specify that the third party must respond within sixty days of receiving the inquiry. This



measure amends existing state law to comply with the federal requirements amended pursuant to section 202 of the Consolidated Appropriations Act, 2022.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1411, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



