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A BILL FOR AN ACT

RELATING TO INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The legislature finds that the public welfare
2	would be best served by requiring the insurance commissioner to
3	regulate dental insurance rates to ensure that they are not
4	excessive, inadequate, or unfairly discriminatory.
5	The purpose of this Act is to expand the insurance
6	commissioner's powers to regulate health insurance rates to
7	include dental insurance rates.
8	SECTION 2. Chapter 431, Hawaii Revised Statutes, is
9	amended by amending the title of article 14G, to read as
10	follows:
11	"[+]ARTICLE 14G[+]
12	HEALTH AND DENTAL INSURANCE RATE REGULATION"
13	SECTION 3. Section 431:14G-101, Hawaii Revised Statutes,
14	is amended to read as follows:
15	"[+]§431:14G-101[+] Scope and purpose. (a) This article
16	shall apply to all types of health insurance offered by managed



care plans [-] and dental insurance offered by a dental insurance 1 2 provider. (b) The purpose of this article is to promote the public 3 welfare by regulating health insurance and dental insurance 4 rates to the end that they shall not be excessive, inadequate, 5 or unfairly discriminatory. Nothing in this article is intended 6 7 to: (1) Prohibit or discourage reasonable competition; or 8 (2) Prohibit or encourage, except to the extent necessary 9 to accomplish the aforementioned purposes, uniformity 10 in insurance rates, rating systems, rating plans, or 11 12 practices. This article shall be liberally interpreted to carry into effect 13 this section." 14 SECTION 4. Section 431:14G-102, Hawaii Revised Statutes, 15 is amended as follows: 16 1. By adding a new definition to be appropriately inserted 17 and to read: 18 19 ""Dental insurance provider" means any person who undertakes to provide or to arrange for or administer one or 20 more dental insurance plans." 21 By amending the definition of "enrollee" to read: 22 2.



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1	""Enrollee" means a person who enters into a contractual
2	relationship or who is provided with health care services or
3	benefits through a managed care plan[-] or dental care services
4	or benefits by a dental insurance provider."
5	SECTION 5. Section 431:14G-104, Hawaii Revised Statutes,
6	is amended by amending subsection (a) to read as follows:
7	"(a) Except as otherwise provided by law, the commissioner
8	may mandate filings for health and dental insurance under
9	section 431:14G-105 when the commissioner has actuarially sound
10	information that current rates may be excessive, inadequate, or
11	unfairly discriminatory."
12	SECTION 6. Section 431:14G-105, Hawaii Revised Statutes,
13	is amended by amending subsection (i) to read as follows:
14	"(i) The commissioner, by written order, may suspend or
15	modify the requirement of filing as to any class of health $\underline{\mathrm{or}}$
16	dental insurance, subdivision, or combination thereof, or as to
17	classes of risks, the rates which cannot practicably be filed
18	before they are used. The order shall be made known to the
19	affected managed care plan $[-]$ or dental insurance provider. The
20	commissioner may make examinations that the commissioner deems
21	advisable to ascertain whether any rates affected by the order
22	meet the standards set forth in section 431:14G-103."



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1	SECTION 7. Section 431:	14G-105, Hawaii Revised Statutes,
2	is amended by amending subsec	tion (k) to read as follows:
3	"(k) The commissioner m	ay make the following rate
4	effective when filed: any sp	ecial filing with respect to any
5	class of health <u>or dental</u> ins	urance, subdivision, or combination
6	thereof that is subject to ir	dividual risk premium modification
7	and has been agreed to under	a formal or informal bid process."
8	SECTION 8. Section 431:	14G-107, Hawaii Revised Statutes,
9	is amended by amending subsec	tion (d) to read as follows:
10	"(d)(1) Any enrollee of a m	anaged care plan <u>, dental insurance</u>
11	provider, or organi	zation that purchases health
12	insurance from a ma	naged care plan <u>or dental insurance</u>
13	from a dental insur	ance provider aggrieved with
14	respect to any fili	ng that is in effect may make a
15	written demand to t	the commissioner for a hearing
16	thereon; provided t	that the managed care plan or dental
17	insurance provider	that made the filing shall not be
18	authorized to proce	ed under this subsection;
19	(2) The demand shall sp	pecify the grounds to be relied upon
20	by the aggrieved er	nrollee or organization and the
21	demand shall show t	hat the enrollee or organization



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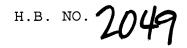
1		has a specific economic interest affected by the
2		filing;
3	(3)	If the commissioner finds that:
4		(A) The demand is made in good faith;
5		(B) The applicant would be so aggrieved if the
6		enrollee's or organization's grounds are
7		established; and
8		(C) The grounds otherwise justify a hearing;
9		the commissioner, within thirty days after receipt of
10		the demand, shall hold a hearing. The hearing shall
11		be held upon not less than ten days' written notice to
12		the aggrieved party and to every managed care plan
13		that made the filing. The aggrieved party shall bear
14		the burden of proving that the filing fails to meet
15		the standards set forth in section 431:14G-103; and
16	(4)	If, after the hearing, the commissioner finds that the
17		filing does not meet the requirements of this article,
18		the commissioner shall issue an order specifying in
19		what respects the filing fails to meet the
20		requirements of this article, and stating when, within
21		a reasonable period, the filing shall be deemed no
22		longer effective. Copies of the order shall be sent



1	to the applicant and to every affected managed care
2	plan. The order shall not affect any contract or
3	policy made or issued prior to the expiration of the
4	period set forth in the order."
5	SECTION 9. Statutory material to be repealed is bracketed
6	and stricken. New statutory material is underscored.
7	SECTION 10. This Act shall take effect upon its approval.
8	INTRODUCED BY: John M. Magoo Kaan and Della a. Belatti Inde Arbanilla
	JAN 1 1 2008

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Report Title: Dental Insurance; Rate Regulation

Description: Expands the power of the insurance commissioner to include regulating the rates of dental insurance providers.

