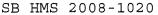
JAN 17 2008

## A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE REIMBURSEMENTS.

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

- 1 SECTION 1. The legislature finds that health care
- 2 reimbursements in Hawaii are so low that many physicians are
- 3 leaving the state and many hospitals have no resources to
- 4 reinvest in critical health technology. This combined with the
- 5 high cost of living in Hawaii has led to severe health provider
- 6 shortages in Hawaii, especially on the neighbor islands.
- 7 The purpose of this Act is to ensure that mutual benefit
- 8 societies provide physicians practicing in Hawaii with a fair
- 9 rate of reimbursement for their services.
- 10 SECTION 2. Chapter 432, Hawaii Revised Statutes, is
- 11 amended by adding a new section to article 1 to be appropriately
- 12 designated and to read as follows:
- 13 "§432- Physician reimbursement for medical services.
- 14 Whenever any provision of any individual or group hospital or
- 15 medical service plan contract provides for reimbursement of or
- 16 payment for services provided by a physician licensed under
- 17 chapter 453, other than services provided under a medicaid plan,
- 18 reimbursement or payment shall be at a rate of not less than one





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- hundred twenty-five per cent of medicare reimbursement rates for 1
- 2 comparable services."
- 3 SECTION 3. This Act does not affect rights and duties that
- matured, penalties that were incurred, and proceedings that were 4
- 5 begun, before its effective date.
- 6 SECTION 4. New statutory material is underscored.
- 7 SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY: Tranne Chun Calland

SB HMS 2008-1020

## Report Title:

Mutual Benefit Societies; Reimbursement of Physicians

## Description:

Ensures physicians are reimbursed for services at a rate of not less than one hundred twenty-five per cent of medicare reimbursement rates.