JAN 18 2008

A BILL FOR AN ACT

RELATING TO INSURANCE.

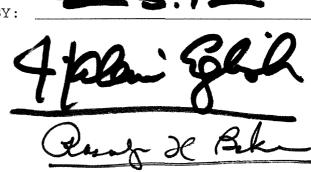
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that health insurance is
- 2 a vital necessity in the promotion of public welfare. Pursuant
- 3 to chapter 431, article 14G, Hawaii Revised Statutes, the
- 4 insurance commissioner may mandate filings for health insurance
- 5 rates when the commissioner has actuarially sound information
- 6 that the current rates may be excessive, inadequate, or unfairly
- 7 discriminatory.
- 8 In light of the discrepancy between the cost of living and
- 9 the cost of health care in Hawaii, it is becoming increasingly
- 10 difficult for health care insurance companies to maintain rates
- 11 that provide for the reimbursement to health care providers,
- 12 facilities, and services, and, at the same time, provide
- 13 affordable, sustainable health care access to the public,
- 14 pursuant to the review and approval of the insurance
- 15 commissioner. Health care insurance companies have a greater
- 16 ability and experience in analyzing and accounting for the
- 17 fluctuations in the health care market and health care demand.

- 1 Health care insurance companies should be responsible in
- 2 determining health care insurance premiums to maintain a balance
- 3 between the cost of living and cost of health care, rather than
- 4 the insurance commissioner.
- 5 The purpose of this Act is to effectuate the
- 6 recommendations of the Maui Health Initiative Task Force
- 7 established pursuant to Act 219, Session Laws of Hawaii 2007 by
- 8 repealing chapter 431, article 14G, Hawaii Revised Statutes,
- 9 relating to health insurance regulation to allow health care
- 10 insurance companies to be primarily responsible in determining
- 11 health care insurance rates.
- 12 SECTION 2. Chapter 431, Article 14G, Hawaii Revised
- 13 Statutes, is repealed.
- 14 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:



Report Title:

Health Insurance; Rate Regulation

Description:

Repeals the health insurance rate filing requirements in order to charge health care insurance companies the responsibility of determining their own rates.

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