Honolulu, Hawaii

Apr:14 , 2008

RE:

S.B. No. 409

S.D. 2

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 409, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to:

- (1) Minimize accidental patient injuries and deaths in hospitals; and
- (2) Ensure that patients in Hawaii receive quality health care,

by requiring health insurance providers to include in their policies medical vigilance services for covered patients who are receiving in-patient health care services at an acute-care hospital.

The Queen's Medical Center and a concerned individual supported this bill. The Hawaii Medical Services Association, Kaiser Permanente Hawaii, Healthcare Association of Hawaii, Hawaii Association of Health Plans, The Chamber of Commerce of Hawaii, Hawaii Pacific Health, and Outrigger Hotels & Resorts opposed this measure. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee notes that the Auditor conducted a sunrise review as requested by S.C.R. No. 209, H.D. 1, C.D. 1, 2007, of the "intelligent medical vigilance" services mandated under S.B. No. 409, S.D. 1, 2007. The Auditor found that the term refers to a specific product developed for use by hospitals and concluded that an assessment of the social and financial impacts of requiring health insurers to offer coverage would be inappropriate because the term refers to a specific, trademarked, commercial product and not health care services. The Auditor also concluded that a lack of adequate information in S.B. No. 409, S.D. 1, 2007, as required by section 23-51, HRS, made an assessment of social and financial impacts unfeasible, and therefore made no recommendations.

Your Committee has amended this bill by:

- (1) Clarifying that this bill calls for a service providing vigilant surveillance to monitor a patient's vital signs rather than a specific product; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 409, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 409, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature

Record of Votes of the Committee on Finance

SB 409, SD2	Committee Referral:	Dat	e: 3-37	-2008
☐ The committee is reconsidering its previous	us decision on the measure.			
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)				
3. AWANA, Karen Leinani				
4. BELATTI, Della Au			~ ~ ~	
5. BROWER, Tom				
6. CARROLL, Mele				
7. HANOHANO, Faye P.				
8. HAR, Sharon E.				
9. KARAMATSU, Jon Riki				
10. MAGAOAY, Michael Y.				
11. MANAHAN, Joey				<u> </u>
12. MIZUNO, John				
13. NAKASONE, Bob				سا ا
14. RHOADS, Karl				
15. SAGUM, Roland D., III				
16. TOKIOKA, James Kunane				
17. MEYER, Colleen Rose				
18. PINE, Kymberly Marcos		<u> </u>		
19. WARD, Gene, Ph.D.	Service of the servic			
TOTAL (19)	13	2	j	3
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: May 3. Lev				
Distribution: Original (White) – Committee Duplicate Yellow) – Chief Clerk's Office				