STAND. COM. REP. NO. 552 -10

Honolulu, Hawaii **Fey 26**, 2010 RE: H.B. No. 2087 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred H.B. No. 2087 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this bill is to ensure that health plans providing services under government programs are not unfairly charged interest under the Clean Claims Law, by exempting these health plans from interest accrual on late payments to service providers that are caused by delayed government reimbursements to the health plan for those services.

The Hawaii Medical Service Association, Kaiser Permanente, and Ohana Health Plan testified in support of this bill. The Department of Human Services opposed this measure. The Healthcare Association of Hawaii and AlohaCare provided comments.

The Clean Claims Law requires health plans to pay providers within certain timeframes, and imposes interest on late payments. When government entities delay payments to health plans for services provided as part of a government program, the health plan must pay interest on late payments to providers even though the delay was beyond the control of the health plan. This bill exempts health plans from paying interest for delays caused by late government reimbursements.



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Your Committees have amended this bill by:

- (1) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style, including clarifying that Medicaid and Medigap claims are exempt from the Clean Claims Law.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2087, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2087, H.D. 1.

> Respectfully submitted on behalf of the members of the Committees on Consumer Protection & Commerce and Judiciary,

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HB2087 HD1 HSCR CPC-JUD HMS 2010-2038

ROBERT N. HERKES, Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 2087	Committee HLT/HUS				Date:	2/19	x/2011		
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The committee is reconsidering its previous 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)									
CPC Members		Ay	es	Ayes (W	R)	Nays	Excused		
1. HERKES, Robert N. (C)		V	1		2.36				
2. WAKAI, Glenn (VC)		V	1						
3. BELATTI, Della Au			V						
4. CABANILLA, Rida		1				2			
5. CARROLL, Mele			1				V		
6. ITO, Ken			//						
7. KARAMATSU, Jon Riki			V						
8. LUKE, Sylvia			V						
9. McKELVEY, Angus L.K.									
10. MIZUNO, John M.									
11. MORITA, Hermina M.		「水学」推	,						
12. SOUKI, Joseph M.		L	/				-		
13. TSUJI, Clift		- 1	/						
14. MARUMOTO, Barbara C.				,					
15. THIELEN, Cynthia			~	記名語る原					
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						1			
TOTAL (15)		11		9		P	4		
The recommendation is: Adop	oted	D No	t Adopted	d /		/			
If joint referral, did not support recommendation.									
Vice Chair's or designee's signature:									
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO									

HSLR 552-10

State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Judiciary

Bill/Resolution No.:Committee Referral:Date:HB 2087HLT/HUS, CPC/JUD2/18/10								
□ The committee is reconsidering its previous decisio		•	, , ,					
The recommendation is to: Image: Pass, unamended Image: Descent control of the second		ss, with amendments () mmit for future public						
JUD Members	Ayes	Ayes (WR)	Nays	Excused				
1. KARAMATSU, Jon Riki (C)								
2. ITO, Ken (VC)	V							
3. BELATTI, Della Au	V							
4. CABANILLA, Rida	V							
5. CARROLL, Mele				V				
6. HERKES, Robert N.	V							
7. LUKE, Sylvia	V							
8. McKELVEY, Angus L.K.								
9. MIZUNO, John M.	COLUMN TANKS			V				
10. MORITA, Hermina M.	/							
11. OSHIRO, Blake K.	V							
12. SOUKI, Joseph M.	V							
13. TSUJI, Clift								
14. WAKAI, Glenn	V							
15. MARUMOTO, Barbara C.	V.							
16. THIELEN, Cynthia	V							
	- V							
TOTAL (16)	12			4				
The recommendation is: Adopted	Not Adop	ted						
If joint referral,	committee agronym	did not suppor	t recommendatio	on.				
Vice Chair's or designee's signature:	- NA:							
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