STAND. COM. REP. NO. YSI -10

Honolulu, Hawaii Fey 26, 2010

RE: H.B. No. 2208 H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2208, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to ensure that providers who deliver health care to Medicaid beneficiaries are paid in a timely manner by:

- (1) Repealing the exemption for Medicaid and Medigap provider claims from the definition of "clean claims" under statutory reimbursement requirements that require health plans to pay providers within certain timeframes and impose interest on late payments; and
- (2) Requiring the Department of Human Services (DHS) to pay health plans according to their Medicaid contract with each plan, and to pay interest on late payments.

Hawaii Medical Association, Hawaii Chapter - American Physical Therapy Association, and a concerned individual testified in support of this bill. The Healthcare Association of Hawaii supported this measure with amendments. DHS and Ohana Health Plan opposed this bill. Kaiser Permanente, Hawaii Medical Service Association, and AlohaCare provided comments.



STAND. COM. REP. NO. **481** -10 Page 2

Your Committee finds that the provision in this bill requiring DHS to pay health plans interest when payment is delayed past the terms of the Medicaid contract should be reviewed by the Committee on Finance, to which this measure has not been referred. Accordingly, your Committee has amended this bill by removing this provision. Technical, nonsubstantive amendments were also made for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2208, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2208, H.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

Chair ROBER



## State of Hawaii House of Representatives The Twenty-fifth Legislature

## HSCK 481-10

## Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee		Date	2/17	LOID
HB 2208, HD1	HLT,CI	20		711	1010
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>					
CPC Members		Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)		V/			世界では
2. WAKAI, Glenn (VC)		$\checkmark$			
3. BELATTI, Della Au		/			$\checkmark$
4. CABANILLA, Rida	_	~			/
5. CARROLL, Mele					~
6. ITO, Ken		V			
7. KARAMATSU, Jon Riki		V			
8. LUKE, Sylvia		V			
9. McKELVEY, Angus L.K.		1			V
10. MIZUNO, John M.		V			
11. MORITA, Hermina M.		V			理论于汉国内部总统
12. SOUKI, Joseph M.		V			
13. TSUJI, Clift	Stand Stand	V			on a sub-
14. MARUMOTO, Barbara C.		V			
15. THIELEN, Cynthia			V		
		-			
		. 1		d	
TOTAL (15)	/			$\varphi$	3
The recommendation is: Adopted 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					