STAND. COM. REP. NO. A S C 7

NO. 2257

Honolulu, Hawaii

FEB 1 2 2010 RE: S.B. No. 2885 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committees on Health and Labor, to which was referred S.B. No. 2885 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH SAVINGS ACCOUNTS,"

beg leave to report as follows:

The purpose of this measure is to establish a health savings account task force to study the current state of health savings accounts in Hawaii and to encourage the expanded use of health savings accounts in the future.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Medical Association, Hawaii Medical Services Association, and SterlingHSA. Testimony with comments on this measure was received from the Department of Labor and Industrial Relations. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that health savings accounts are currently available in Hawaii, but do not constitute a significant portion of the overall health care market. Your Committees further find that health savings accounts are an alternate means of paying for health care that may result in significant health care cost savings for some Hawaii residents by allowing individuals to purchase high deductable health plans and to pay out-of-pocket health care costs from tax-advantaged dollars saved in health savings accounts. Your Committees note that, in light of Hawaii's unique health insurance environment, careful



STAND. COM. REP. NO. 2257 Page 2

consideration of the interaction between health savings accounts and the requirements of Hawaii's Prepaid Health Care Act is essential to the task force's discussions and policy recommendations.

Your Committees have amended this measure by making nonsubstantive technical changes for the purposes of clarity and accuracy.

As affirmed by the records of votes of the members of your Committees on Health and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2885, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2885, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committees on Health and Labor,

DWIGHT Y. TAKAMINE, Chair



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:*Committee Referral:Date:SB 2885HTH/LBR, WAM2/9/10							
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members		Aye	Aye (WR)	Nay	Excused		
IGE, David Y. (C)			-				
GREEN, M.D., Josh (VC)							
BAKER, Rosalyn H.	and the second						
ESPERO, Will							
NISHIHARA, Clarence K.		V					
HEMMINGS, Fred							
TOTAL		4	0	0	2		
Recommendation:							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only <u>one</u> measure per Record of Votes

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Labor LBR

Bill / Resolution No.:* Committee Referral: Date: 5B2885 HTHUBRINIM 29/10								
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members	Aye	Aye (WR)	Nay	Excused				
TAKAMINE, Dwight Y. (C)								
TANIGUCHI, Brian T. (VC)								
BUNDA, Robert								
HEE, Clayton								
SLOM, Sam								
TOTAL	4	0	0					
Recommendation:								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only one measure per Record of Votes