### THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

S.B. NO. <sup>1516</sup> S.D. 2

# A BILL FOR AN ACT

RELATING TO HEALTH CARE ADMINISTRATIVE UNIFORMITY.

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

1 SECTION 1. The legislature finds that collaborative 2 development of uniform administrative standards for quality health care measures will produce better quality, more cost 3 effective health care and allow providers to spend more time 4 5 providing patient care and less time with administrative claims 6 procedures. In order to encourage productive discussion and agreements among health care providers, insurers, and other 7 8 interested entities on uniform administrative standards for 9 evidence-based medicine, clinical efficacy, and quality in 10 health claims processing, the collaboration process should be 11 exempt from the State's unfair competition and antitrust laws, 12 which would otherwise deter or prevent these types of beneficial 13 cooperation.

14 The purpose of this Act is to allow open and robust 15 collaboration on uniform administrative standards and procedures 16 to help enhance the quality of health care in Hawaii. 17 SECTION 2. Section 480-11, Hawaii Revised Statutes, is 18 amended by amending subsection (d) to read as follows: 2011-1585 SB1516 SD2 SMA.doc

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1	" (d)	This chapter shall not apply to:
2	(1)	Any provider agencies or donors under part XVII of
3		chapter 346;
4	(2)	Any provider agency or donor method or act that
5	1	complies with part XVII of chapter 346; [ <del>or</del> ]
6	(3)	Any cooperation or agreement authorized pursuant to
7		rule under part XVII of chapter 346[-]; or
8	(4)	Any cooperation, collaboration, or agreement among any
9		accident and health or sickness insurer, third party
10		administrator, health care provider or facility,
11		managed care plan, or government agency to develop and
12		adopt uniform administrative procedures for:
13		(A) Measuring health care quality;
14		(B) Prior authorization procedures; or
15		(C) Methodologies for drug lists for clinical
16		efficacy based on research-based guidelines;
17	provided 1	that all accident and health or sickness insurers;
18	third part	ty administrators; health care providers, including
19	advanced ]	practice registered nurses, physicians, and hospital
20	administra	ators; managed care plans operating within the State of
21	<u>Hawaii; a</u>	nd the insurance division of the department of commerce

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1	and consumer affairs are provided notice and an opportunity to
2	participate in the cooperation, collaboration, or agreement."
3	SECTION 3. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 4. This Act shall take effect upon its approval.
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#### Report Title:

Health Care; Administrative Procedures; Antitrust

### Description:

Exempts collaboration among all accident and health or sickness insurers, third party administrators, managed care plans, health care providers, and government agencies from state antitrust laws when the collaboration is intended to adopt uniform administrative procedures. Requires notice to be given to certain interested parties in advance of collaborative discussions. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

