STAND. COM. REP. NO. 1209

Honolulu, Hawaii

March 24, 2011

RE: S.B. No. 1274

S.D. 2 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred S.B. No. 1274, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

beg leave to report as follows:

The purpose of this bill is to update the Patients' Bill of Rights and Responsibilities Act to conform to federal law by establishing uniform standards for external review procedures to ensure that state-based procedures will not be preempted by federal regulation.

Kaiser Foundation Health Plan, Inc.; the Department of Commerce and Consumer Affairs; and Ohana Health Plan supported the bill. Hawaii Medical Association and numerous individuals opposed this measure. Faith Action for Community Equity provided comments.

Your Committees urge the parties to work together to discuss additional protections as this bill moves forward.

Upon further consideration, your Committees have amended this measure by:

(1) Providing that an opinion for an external review may be requested from more than one clinical reviewer and

providing procedures for the reviewers to make their decision;

- (2) Ensuring that each clinical reviewer reviews all of the information and documents required to be provided by the health carrier and any other information submitted by the enrollee;
- (3) Clarifying the procurement exemption of the independent review organization selection process; and
- (4) Changing the effective date to July 1, 2011.

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 S.B. No. 1274, S.D. 2, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 1274, S.D. 2, H.D. 2.

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

GILBERT KEITH-AGARAN, Chair

ROBERT N. HERKES, Chair

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

Bill/Resolution No.: SB 1274 SD2 HD1 Committee Referral: HLT_CPC/JUD_FIN Date: 3/23/2011							
☐ 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	Ayes	Ayes (WR)	Nays	Excused			
1. HERKES, Robert N. (C)							
2. YAMANE, Ryan I. (VC)							
3. BROWER, Tom				21			
4. CABANILLA, Rida T.R.				181			
5. CARROLL, Mele							
6. ITO, Ken							
7. KEITH-AGARAN, Gilbert S.C.		ı.					
8. LUKE, Sylvia							
9. McKELVEY, Angus L.K.							
10. MORITA, Hermina M.							
11. OSHIRO, Blake K.							
12. SOUKI, Joseph M.							
13. TSUJI, Clift							
14. CHING, Corinne W.L.							
15. MARUMOTO, Barbara C.							
16. THIELEN, Cynthia							
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TOTAL (16) (15)	9	2		4			
The recommendation is:  Adopted  If joint referral,  committee acronym(s)  Adopted  did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) - Committee Deplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO							

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## Record of Votes of the Committee on Judiciary

	ee Referral: CPC/JUD,	FIN/ Of	3/23/20	11			
☐ 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)							
JUD Members	Ayes	Ayes (WR)	Nays	Excused			
1. KEITH-AGARAN, Gilbert S.C. (C)	/						
2. RHOADS, Karl (VC)							
3. BROWER, Tom							
4. CABANILLA, Rida T.R.							
5. CARROLL, Mele							
6. HERKES, Robert N.							
7. ITO, Ken							
8. LUKE, Sylvia							
9. McKELVEY, Angus L.K.				<b>✓</b>			
10. MORITA, Hermina M.							
11. OSHIRO, Blake K.							
12. SOUKI, Joseph M.							
13. TSUJI, Clift		,					
14. FONTAINE, George R.							
15. MARUMOTO, Barbara C.		<b>✓</b>		-			
16. THIELEN, Cynthia							
				<u></u>			
TOTAL (16)	9	3	0	3			
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)							
Vice Chair's or designee's signature:							
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