

Hawaii Association of Health Plans

February 4, 2011

The Honorable Ryan Yamane, Chair The Honorable Dee Morikawa, Vice Chair LATE TESTIMONY

House Committee on Health

Re: HB 1201 - Relating to the Hawaii Health Benefit Exchange

Dear Chair Yamane, Vice Chair Morikawa and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans ("HAHP"). HAHP is a non-profit organization consisting of eight (8) member organizations:

AlohaCare
Hawaii Medical Assurance Association
HMSA
Hawaii-Western Management Group, Inc.

Kaiser Permanente MDX Hawai'i University Health Alliance UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to provide <u>testimony supporting HB 1201</u> which would set up the framework in the state for the creation of an Exchange. The Affordable Care Act (ACA) requires that all states set up a health insurance Exchange by 2014 with the caveat that if a state has not made sufficient progress by 2013, the federal Department of Health and Human Services will take over the state's efforts and put an Exchange in place.

While 2014 seems to be a far off date, health plans which recently were given a six-month timeframe to enact numerous consumer-related provisions under the ACA know that extensive work is needed in order to ensure the state maintains control over Hawaii's Exchange.

HB 1201 lays the groundwork for Hawaii to begin preparing for the sweeping changes that will occur to our health care landscape. We believe that the State should not wait to enact enabling legislation of this type.

Thank you for the opportunity to offer comments today. We respectfully urge the Committee's passage of HB 1201 to begin the extensive work that needs to be accomplished.

Sincerely,

Howard KF Cee

LATE TESTIMONY

Howard Lee President