

STAND. COM. REP. NO.

370

Honolulu, Hawaii

February 13, 2013

RE: H.B. No. 656
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 656
entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE ADMINISTRATIVE
UNIFORMITY,"

begs leave to report as follows:

The purpose of this measure is to provide an exception to the application of state antitrust laws to insurers, third party administrators, health care providers and facilities, managed care plans, and government agencies cooperating and collaborating on the adoption of uniform administrative procedures for the measuring of health care quality, adoption of prior authorization procedures, and development of methodologies for drug lists for clinical efficacy based on research-based guidelines.

The Hawaii Medical Association testified in support of this measure. The Healthcare Association of Hawaii testified in support of this measure with amendments. The Hawaii Medical Service Association testified in support of the intent of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee notes that the Department of the Attorney General provided testimony concerning the measure's lack of ability to afford complete antitrust immunity pursuant to federal antitrust laws. Should the Committee on Consumer Protection and

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Commerce consider this measure, your Committee respectfully requests that the Attorney General's testimony be considered.

Your Committee has amended this measure by:

- (1) Including health care associations among the parties exempted from state antitrust laws under this measure;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 656, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DELLA AU BELATTI, Chair



