STAND. COM. REP. NO. 83

Honolulu, Hawaii

March

, 2013

RE: H.B. No. 842

H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 842, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DENTAL SERVICE CORPORATIONS,"

begs leave to report as follows:

The purpose of this measure is to provide an administrative framework and oversight for dental service corporations by establishing requirements including:

- (1) Licensing and regulatory requirements;
- (2) Financial and solvency requirements;
- (3) Reporting and audit requirements; and
- (4) Insurance coverage, benefits disclosure, and enrollment requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Dental Association testified in opposition of this measure.

Your Committee has amended this measure by:

(1) Preventing unlicensed persons from providing dental care services under the chapter established by this measure by restricting the definition of "provider" to include

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only those persons licensed to practice dentistry as defined in section 448-1, Hawaii Revised Statutes;

- (2) Requiring, rather than permitting, dental service corporations to adopt provisions for the coordination of benefits plans for persons covered by two or more group health insurance or health care plans, to prevent situations of overinsurance and provide for the orderly payment of claims;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 842, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 842, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ANGUS L.K. McKELVEY, Chair

State of Hawaii House of Representatives The Twenty-seventh Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:	Date	Date: 02/27/2013		
☐ 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. McKELVEY, Angus L.K. (C)				-	
2. KAWAKAMI, Derek S.K. (VC)					
3. BELATTI, Della Au					
4. BROWER, Tom	/		<u>-</u>		
5. CABANILLA, Rida T.R.					
6. CACHOLA, Romy M.					
7. CARROLL, Mele			1	V	
8. EVANS, Cindy				1	
9. HAR, Sharon E.					
10. ITO, Ken					
11. LEE, Chris	, <u></u>				
12. TSUJI, Clift					
13. YAMANE, Ryan I.					
14. MCDERMOTT, Bob					
15. THIELEN, Cynthia		/			
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11.179					
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TOTAL (15)	/ 10			4	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					