

S.D. 2 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 S.B. No. 1073, S.D. 2, 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 establish a regulatory framework, compatible with the Patient Protection and Affordable Care Act, for dental service corporations in their provision or arrangement of dental insurance plans including:

- Requirements for a certificate of authority to establish and operate a dental service corporation, including net worth requirements;
- (2) Reports to the Insurance Commissioner, including audits of financial statements, list of providers, and a description of grievance procedures;
- (3) Protections afforded enrollees and subscribers due to a corporation's insolvency, including required deposits by a corporation, immunities from the claim against a corporation, and provisions for replacement coverage;
- (4) Filing and service fees chargeable by the Commissioner to a corporation; and



STAND. COM. REP. NO. 1546

(5) The authority and power of the Commissioner to enforce the provisions and requirements contained in this measure.

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

Your Committee has amended this measure by deleting from the definition of "uncovered expenditures" specific examples of services, the costs of which are considered uncovered expenditures.

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 S.B. No. 1073, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1073, S.D. 2, 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.: SB1073 SD2 HD1 H	e Referral: 1LT, CPC	Date:	41311	3
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)	V,			
2. KAWAKAMI, Derek S.K. (VC)				
3. BELATTI, Della Au				
4. BROWER, Tom				
5. CABANILLA, Rida T.R.				
6. CACHOLA, Romy M.				1
7. CARROLL, Mele				V
8. EVANS, Cindy	V -			
9. HAR, Sharon E.	V			
10. ITO, Ken				
11. LEE, Chris	V			
12. TSUJI, Clift	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~			
13. YAMANE, Ryan I.	V		· · · · · · · · ·	
14. MCDERMOTT, Bob				
15. THIELEN, Cynthia				
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TOTAL (15)	9			5
The recommendation is: Adopted 🛛 Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				