STAND. COM. REP. NO.

Honolulu, Hawaii FEB 1 5 2013

RE: S.B. No. 964 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 964 entitled:

"A BILL FOR AN ACT RELATING TO DENTAL SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit dental service organizations, mutual benefit societies, and health maintenance organizations from setting or recommending fees for services provided by a dentist unless they are covered services.

Your Committee received testimony in support of this measure from thirty-three individuals. Your Committee received testimony in opposition to this measure from Hawaii Dental Service, International Longshore and Warehouse Union Local 142, and Hawaii Medical Services Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that certain dental service insurance providers require that participating dentists agree to set fees for all services, including those not covered by the dental service plan. Your Committee finds that these requirements limit the amounts that dentists can charge for non-covered services, often resulting in dentists refusing to offer necessary services to patients because any cost above the provider's set fee is not recoverable by the dentist. Your Committee further finds that this practice forces patients to seek non-participating dentists to perform necessary procedures to the financial detriment of participating dentists. In order to protect dental patients and



STAND. COM. REP. NO. Page 2

dentists throughout the State, your Committee finds it necessary to prohibit dental service insurance providers from setting fees for dental services not covered by a dental service plan.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

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 S.B. No. 964, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 964, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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

JOSH ØREEN, Chair



## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:			Date:	
5B 964	HTH, CPN			02/11/2013	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR	) Nay	Excused
GREEN, Josh (C)					
BAKER, Rosalyn H. (VC)					
CHUN OAKLAND, Suzanne					
NISHIHARA, Clarence K.					
SLOM, Sam					
	· · · ·				
·					
· · · · · · · · · · · · · · · · · · ·					
		-			
· · · · · · · · · · · · · · · · · · ·					
TOTAL	· · · ·	2	1.	2	
Recommendation:					
Chair's or De <del>si</del> gnee's Signature: Kony H Bab					
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes