

**American Congress of Obstetricians and Gynecologists  
District VIII, Hawaii (Guam & American Samoa) Section**

Lori Kamemoto, MD, MPH, FACOG, Chair  
94-235 Hanawai Circle, #1B  
Waipahu, Hawaii 96797



TO: COMMITTEE ON JUDICIARY  
Rep. Karl Rhoads, Chair  
Rep. Joy A. San Buenaventura, Vice Chair

DATE: Thursday, April 2, 2015  
TIME: 2:00, p.m.  
PLACE: Conference Room 325

FROM: American Congress of Ob and Gyn, District VIII, Hawaii Section  
Dr. Lori Kamemoto, Chair Hawaii Section  
Dr. Greigh Hirata, Vice-Chair Hawaii Section  
Lauren Zirbel, Community and Government Relations

**Re: SB 736 SD 1 HD 1 RELATING TO INSURANCE**

**Position: Support**

This measure requires an entity to send written notice to a health care provider at least thirty calendar days prior to initiating any recoupment or offset demand efforts and prohibits an entity from initiating any recoupment or offset efforts more than eighteen months after an initial claim payment was received by a health care provider, with specific exceptions. The ACOG supports this measure as is.

Given that the State of Hawaii lost almost 100 doctors last year alone we should make every effort to not drive the rest of the practicing physicians still living in Hawaii to the mainland where reimbursements are much higher and the cost of running a practice is much lower.

According to the Star Advertiser's January 20, 2015 article entitled, Doctor shortage grows, "Hawaii's doctor shortage jumped 20 percent over the past year as more physicians left the field amid a growing demand for medical services. New estimates on physician supply and demand peg the current shortage at 890, and that's expected to jump as high as 1,500 by 2020, according to the latest figures from the University of Hawaii John A. Burns School of Medicine's Area Health Education Center... Specialties with the fastest-growing shortages include infectious disease and orthopedic surgery. There is a 65 percent shortage of specialists in infectious diseases like HIV/AIDS and

antibiotic-resistant wounds, with only 13 doctors statewide, while a more than 50 percent shortage exists for general surgeons, with only 55 seeing patients.”<sup>1</sup>

Our physician shortage did not come out of nowhere. Please do something to improve Hawaii’s medical climate, which is hostile to providers. By all calculations, we are already in a crisis.

Thank you for the opportunity to testify.

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<sup>1</sup> <http://www.staradvertiser.com/s?action=login&f=y&id=289125151&id=289125151>



**HAWAII MEDICAL ASSOCIATION**

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814  
Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

TO:

Committee on Judiciary

DATE: April 2, 2015  
TIME: 2:00 pm  
PLACE: Conference Room 325

FROM: Hawaii Medical Association  
Dr. Christopher Flanders, DO, Executive Director  
Lauren Zirbel, Community and Government Relations

**Re: SB 736 RELATING TO INSURANCE**

This measure represents a step forward in fair payment and recoupment practices.

Given that the State of Hawaii lost almost 100 doctors last year alone we should make every effort to not drive the rest of the practicing physicians still living in Hawaii to the mainland where reimbursements are much higher and the cost of running a practice is much lower.

According to the Star Advertiser's January 20, 2015 article entitled, Doctor shortage grows, "Hawaii's doctor shortage jumped 20 percent over the past year as more physicians left the field amid a growing demand for medical services. New estimates on physician supply and demand peg the current shortage at 890, and that's expected to jump as high as 1,500 by 2020, according to the latest figures from the University of Hawaii John A. Burns School of Medicine's Area Health Education Center... Specialties with the fastest-growing shortages include infectious disease and orthopedic surgery. There is a 65 percent shortage of specialists in infectious diseases like HIV/AIDS and antibiotic-resistant wounds, with only 13 doctors statewide, while a more than 50 percent shortage exists for general surgeons, with only 55 seeing patients."<sup>1</sup>

Our physician shortage did not come out of nowhere. It is a direct result of a hostile

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<sup>1</sup> <http://www.staradvertiser.com/s?action=login&f=y&id=289125151&id=289125151>

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insurance market, which makes it difficult to practice medicine in this State. Please do something to improve this situation. By all calculations, we are already in a crisis.

Thank you for the opportunity to testify.



# **Hawai'i Psychological Association**

## *For a Healthy Hawai'i*

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P.O. Box 833  
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Phone: (808) 521-8995

**Representative Karl Rhoads, Chair**  
**Representative Joy A. San Buenaventura, Vice Chair**  
**Committee on Judiciary**

March 31, 2015

**Thursday, April 2, 2015, 2:00 p.m., Room 325**

### **TESTIMONY IN SUPPORT OF SB 736, SD1, HD1**

Honorable Chair Karl Rhoads, Vice Chair Joy A. San Buenaventura and members of the committee, my name is Marie Terry-Bivens, Psy.D. and I am a psychologist and President of the Hawaii Psychological Association. I would like to provide testimony in support of SB 736, SD1, HD1.

"Recoupments" are funds that health plans have paid to providers but later seek reimbursement after the plan determined, for whatever reason, it paid out in error. There's no precise information about how often insurance companies are demanding recoupment or for how much, but it is happening more often, and to the full range of health care providers. Across the country as the recoupment demands are increasing, practices are folding as a result.

In Hawaii, it is widely recognized that we have a shortage of health practitioners in many fields. And while practitioners generally have one year to adjust their billing to insurance companies; the insurance companies have no similar restriction preventing them from reaching far back into history to recoup funds they previously paid to health care providers for their services. This is an ongoing open-ended liability for health care professionals and undermines the ability to build upon and plan a viable and economically feasible practice.

Thus far, more than half of the country has legislation limiting the time that an entity can take money back for the services that have already provided. According to a recent data search the following states have statute of limitations for medical recoupment: Alabama, Arkansas; Arizona; California; Colorado; Connecticut; District of Columbia; Florida; Georgia; Illinois; Indiana; Iowa; Kentucky; Maine; Maryland; Massachusetts; Missouri; Montana; New Hampshire; New Jersey; New York; North Carolina; Ohio; Oklahoma; South Carolina; Texas; Utah; Vermont; Virginia; Washington; and West Virginia ranging from 6-months to 30-months, with the average range of time allowed for take-backs being somewhere between 12 and 24 months.

Representative Karl Rhoads, Chair  
Representative Joy A. San Buenaventura, Vice Chair  
March 31, 2015  
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Thank you for your consideration of my testimony in support of SB 736, SD1, HD1.

Respectfully submitted,

Marie Terry-Bivens, Psy.D.  
President