

RE: H.B. No. 1467 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1467 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH CONNECTOR, "

begs leave to report as follows:

The purpose of this measure is to amend policy and insurer requirements for the Hawaii Health Connector (the Connector) by, among other things:

- Authorizing the Connector to offer large group coverage to insurers, beginning January 1, 2017;
- (2) Mandating insurers having a small group market share in the State that exceeds twenty percent to offer coverage through the Connector;
- (3) Encouraging full participation in the Connector by prohibiting the issuance of transitional renewal policies beginning January 1, 2016, and expanding notice requirements for group health plans offering continuation coverage; and
- (4) Expanding the small business market in the Connector by increasing the number of employees needed to qualify as a "small employer" from fifty to one hundred, pursuant to federal law.



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The Hawaii Primary Care Association testified in support of this measure. The Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Commerce and Consumer Affairs Insurance Division, Hawaii Health Connector, and Hawaii Medical Service Association provided comments.

Your Committee has amended this measure by:

- Requiring health insurers offering qualified plans to offer federally-qualified health centers the opportunity to contract for services covered by the qualified plan;
- (2) Requiring health insurers with a greater than 20 percent share of the State's small group health insurance market to offer at least one silver and at least one gold qualified health plan as a condition of participation in the individual market of the Connector;
- (3) Changing its effective date to July 1, 2050, 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 Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1467, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1467, 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,

Allen a Butti

DELLA AU BELATTI, Chair



State of Hawaii House of Representatives The Twenty-eighth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: HB1467	HLT, CPC		Date: 2/11/1	
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)				
HLT Members	Ayes	Ayes (WR	.) Nays	Excused
1. BELATTI, Della Au (C)				
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2. CREAGAN, Richard P. (VC)				
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3. HASHEM, Mark J.				
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4. JORDAN, Jo				
5. KOBAYASHI, Bertrand	i i i i i i i i i i i i i i i i i i i			
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6. MORIKAWA, Dee				
7. OSHIRO, Marcus R.				
8. FUKUMOTO CHANG, Beth				
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9. TUPOLA, Andria P.L.			~	
TOTAL (9)	4	/	2	2_
The recommendation is: 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				