STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 5 2015

RE: S.B. No. 1341 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1341, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE AFFORDABLE CARE ACT INNOVATION WAIVER,"

begs leave to report as follows:

The purpose and intent of this measure is to provide the State Innovation Waiver Task Force with a more focused purpose and the resources necessary to develop a waiver to certain provisions of the Patient Protection and Affordable Care Act (Affordable Care Act) in a timely manner.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, the Chamber of Commerce of Hawaii, and one individual.

Your Committee finds that the State Innovation Waiver Task Force was established by the Legislature in 2014 for the purpose of developing a plan that meets the requirements for obtaining a state innovation waiver that complies with the Affordable Care Act. The task force is scheduled to be dissolved on June 30, 2017, and has yet to develop a compliant waiver plan.

Your Committee finds that the state innovation waiver is a crucial mechanism that will allow the State and its health insurers better address the challenges that are distinct to Hawaii's unique healthcare market and more successfully implement the Affordable Care Act in conjunction with Hawaii's Prepaid

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Health Care Act. Currently, the task force does not have all of the resources that it needs to continue its work to develop an innovation waiver proposal. Narrowing the scope of the task force's purpose and providing the task force with the resources it needs to develop an innovation waiver proposal will complete an important step toward improving the effectiveness of insurance and healthcare delivery in Hawaii under the new requirements of the Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1341, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

JILL N. TOKUDA, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* SB 1341 SD	CPMWAM Date: Date: 227/15				
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
TOKUDA, Jill N. (C)					
KOUCHI, Ronald D. (VC)		V			
CHUN OAKLAND, Suzanne					V
DELA CRUZ, Donovan M.		V			
ENGLISH, J. Kalani		V			
GALUTERIA, Brickwood					
HARIMOTO, Breene		V			
INOUYE, Lorraine R.		V			:
RIVIERE, Gil		V			
RUDERMAN, Russell E.	·				V
SLOM, Sam					
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TOTAL		<u> </u>	10	9	3
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: MU D- M					
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