

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2389
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2389 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to require:

- (1) All payers of claims for payment for health care services delivered to any person, including providers of public or private health insurance, to submit data and other information to the State Health Planning and Development Agency;
- (2) Health care services claims and payment data to be submitted by health care providers and payers of health care services claims; and
- (3) The State Health Planning and Development Agency to submit acquired data to a University of Hawaii data center.

Your Committee received testimony in support of this measure from the State Health Planning and Development Agency, Office of Enterprise Technology Services, University of Hawai'i System, and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association and Hawaii Association of Health Plans. Your Committee received comments on this measure from the Department of the Attorney



General, Department of Human Services, and Healthcare Association of Hawaii.

Your Committee finds that health care payers collect and analyze health care services claims and payment information for federal regulatory compliance and business accounting purposes. Reporting health care services claims and payment information to the State Health Planning and Development Agency, who is tasked with promoting accessibility to quality health care services for all people of the State at a reasonable cost, would support collection analysis, dissemination of medical treatment claims and payment information, transparency in the health care sector, and public policy decision making. This measure also provides access to health care claims payment data and analytics to consumers of health care and state decision makers who regulate health care and insurance.

Your Committee has amended this measure by:

- (1) Requiring that the submittal of data, statistics, and other information be consistent with state and federal laws pertaining to data use and disclosure, privacy, security, and confidentiality laws;
- (2) Requiring that health care providers and payers of health care services claims submit information about the nature of reimbursements and any fees, discounts, incentives, or performance payments affecting the rate of reimbursement from any insurer;
- (3) Specifying that the State Health Planning and Development Agency shall not disclose any individual patient's personal health information in violation of state or federal law;
- (4) Requiring the State Health Planning and Development Agency to initially submit data to the College of Social Sciences, Social Sciences Research Institute, Pacific Health Informatics and Data Center at the University of Hawaii; provided that the University of Hawaii Data Center may opt out of providing data services upon written notification;
- (5) Requiring the entity accepting health care services claims and payment data to enter into a negotiated data



sharing agreement with any payer or insurer before data is submitted;

- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2389, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2389, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 2389	Committee Referral: CPH	Date: 2-24-16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div><input type="checkbox"/> Pass, unamended 2312</div> <div><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div><input type="checkbox"/> Hold 2310</div> <div><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
KIDANI, Michelle N. (VC)	/			
ESPERO, Will	/			
IHARA, Jr., Les	/			
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.	/			
SLOM, Sam				/
TOTAL	6			1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature:				
Distribution: <div style="display: flex; justify-content: space-between; font-size: small;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes