

Honolulu, Hawaii March 18, 2016 RE: S.B. No. 2667 S.D. 1 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2667, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to promote the timely payment of claims made by health insurers to health care providers.

Specifically, this measure:

- (1) Requires health insurers to treat claims for payment that are in all aspects correctly filed and priced, otherwise known as clean claims, in the same manner as uncontested claims for purposes of payment timeframes; and
- (2) Repeals the exemption of Medicaid claims from the definition of clean claims.

The Queen's Health Systems, Healthcare Association of Hawaii, Residential Care Administrators, Hawaii Medical Service Association, and Alliance of Residential Care Administrators testified in support of this measure. The Department of Commerce and Consumer Affairs, Department of Human Services, Ohana Health Plan, and Hawaii Pacific Health provided comments.



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Your Committee is concerned that there are claims that are outstanding for more than twelve months.

Your Committee has amended this measure by:

- Changing its effective date to July 1, 2112, to facilitate further discussion; and
- (2) 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 S.B. No. 2667, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2667, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

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.: SB2667, SD1	Committee Referral: H-T, CPC, FIN		I	Date: 3/11/16		
The committee is reconsidering its r	previous decision					
The recommendation is to:	ass, unamended (a ass short form bill		s, with amendmo mmit for future p	ents (HD) 📮 Ho public hearing (recom		
HLT Members		Ayes	Ayes (WR	) Nays	Excused	
1. BELATTI, Della Au (C)						
2. CREAGAN, Richard P. (VC)	)	1				
3. HASHEM, Mark J.		/				
4. JORDAN, Jo		/				
5. KOBAYASHI, Bertrand		_				
6. MORIKAWA, Dee		~				
7. OSHIRO, Marcus R.	i					
8. FUKUMOTO CHANG, Beth						
9. TUPOLA, Andria P.L.		/				
TOTAL (9)		7			2	
	Adopted bint referral,	Not Adop	did not s	upport recommendati		
Vice Chair's or designee's signature:	(	M			-	
Distribution: Original (White) – Cor	nmittee Du	plicate (Yellow) -	- Chief Clerk's C	office Duplicate	(Pink) – HMSO	

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