

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

Sir:

Your Committees on Health and Human Services, to which was referred S.B. No. 307, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this measure is to establish a licensure program, administered by the Office of Health Care Assurance and exempt from a sunrise analysis by the Auditor, for suppliers of durable medical equipment, prosthetics, orthotics, and related supplies.

The Hawaii Health Systems Corporation; Queen's Health Systems; Healthcare Association of Hawaii; Prime Care Services Hawaii, Inc.; Aloha Nursing Rehab Centre; and Hawaii Primary Care Association submitted testimony in support of this measure. The Board of Pharmacy submitted testimony in support of this measure with amendments. The Hawaii Association of Health Plans submitted testimony in opposition to this measure. The Department of Health, Business Registration Division of the Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association submitted comments on this measure.



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Your Committees have amended this measure by:

- Clarifying that durable medical equipment shall not contain any prescription drug;
- (2) Allowing the Department of Health to assess by administrative rule, rather than statutorily prescribe, a licensure fee on all suppliers;
- (3) Exempting licensed pharmacies from the licensure program;
- (4) Changing to general fund revenues, the manner of funding for the two permanent full-time positions created to establish and administer the program;
- (5) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 307, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 307, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committees on Health and Human Services,

DEE MORIKAWA, Chair

DELLA AU BELATTI, Chair



State of Hawaii House of Representatives The Twenty-eighth Legislature

HECR 981

Record of Votes of the Committee on Health

	Committee Referral:	Date					
58307 SD2 HLT/HUS, CPC, FIN 3/18/15							
□ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: D Pass, unamended (as is) 🛛 Pass, with amendments (HD) D 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)				· ····			
2. CREAGAN, Richard P. (VC)							
3. HASHEM, Mark J.							
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4. JORDAN, Jo							
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5. KOBAYASHI, Bertrand							
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6. MORIKAWA, Dee							
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7. OSHIRO, Marcus R.							
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8. FUKUMOTO CHANG, Beth		i					
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9. TUPOLA, Andria P.L.							
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TOTAL (9)	7		-=	2.			
The recommendation is: Adopted	I 🛛 Not Adopte						
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							

HSCR 981

State of Hawaii House of Representatives The Twenty-eighth Legislature

Record of Votes of the Committee on Human Services

Bill/Resolution No.: SB 307, SD2 HLT/F	e Referral: tvs, CPC,	FIN Dat	"3/18/15	-			
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)							
HUS Members	Ayes	Ayes (WR)	Nays	Excused			
1. MORIKAWA, Dee (C)	/						
2. KOBAYASHI, Bertrand (VC)	/		· · · ·	· · · · · · · · · · · · · · · · · · ·			
3. BELATTI, Della Au	/						
4. CREAGAN, Richard P.							
5. HASHEM, Mark J.							
6. JORDAN, Jo							
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7. OSHIRO, Marcus R.							
8. FUKUMOTO CHANG, Beth							
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TOTAL (8)	7						
The recommendation is: Adopted Not Adopted If joint referral,							
Vice Chair's or designee's signature: SJ. Cerri							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							