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## TO THE SENATE COMMITTEE ON WAYS AND MEANS

TWENTY-EIGHTH LEGISLATURE Regular Session of 2015

> Friday, February 27, 2015 1:00 p.m.

### Written Testimony Only

### TESTIMONY ON SENATE BILL NO. 1178, S.D. 1 – RELATING TO HEALTH.

TO THE HONORABLE JILL N. TOKUDA, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner ("Commissioner"), testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department provides the following comments.

The purpose of this bill is to increase the per treatment benefit cost for acupuncture. The rate for acupuncture treatments has not changed in the past 20 years. Any increase in benefits may result in increased costs to policyholders.

We thank this Committee for the opportunity to present testimony on this matter.

CATHERINE P. AWAKUNI COLÓN DIRECTOR

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Alison H. Ueoka Executive Director

## **TESTIMONY OF ALISON UEOKA**

SENATE COMMITTEE ON WAYS & MEANS Senator Jill N. Tokuda, Chair Senator Ronald D. Kouchi, Vice Chair

> Friday, February 27, 2015 1:00 p.m.

## SB 1178, SD1

Chair Tokuda, Vice Chair Kouchi, and members of the Committee, my name is Alison Ueoka, Executive Director of the Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately thirty-six percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council submits comments on this measure. When the motor vehicle insurance law was amended in the early to mid-1990's, the primary reason was to control the cost of providing that line of insurance. To that end, the Legislature took steps to enact cost containment provisions which have effectively controlled the high price of motor vehicle insurance in the State. Increasing the cost of acupuncture treatment per visit will ultimately find its way into the cost of motor vehicle insurance.

Thank you for the opportunity to testify.

# <u>SB1178</u>

Submitted on: 2/26/2015

Testimony for WAM on Feb 27, 2015 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Wai H. Low, D.Ac.	Institute of Clinical Acupuncture	Support	No

Comments: It has been almost 20 years. In 1997 the state auditor did a study that acupuncture treatment cost is just 2% of cost driver for the total PIP payments. We strongly support bill SB1178, which increases payment for acupuncture services provided. In addition, the 30 combine treatments with Chiropractors should be amended. This is very confusing for the patient and contributes to challenging treatment outcomes. Thank you for the opportunity to testify. Wai H. Low, DAOM, MBA, L.Ac. President/CEO Institute of Clinical Acupuncture & O.M.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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## <u>SB1178</u> Submitted on: 2/26/2015 Testimony for WAM on Feb 27, 2015 13:00PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Lynn Allen	Individual	Support	No

Comments: Aloha, I am a practicing acupuncturist. I am in complete support of increasing payment for services. It has been well over 10 years since an increase has been applied. I would offer thT this increase should be effective sooner than 2020. Lynn Allen

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