STAND. COM. REP. NO.

Honolulu, Hawaii February 16^{, 2017}

RE: H.B. No. 407 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committees on Health and Intrastate Commerce, to which was referred H.B. No. 407 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this measure is to authorize the issuance of employer-sponsored high deductible health plans and corresponding health savings accounts under the Prepaid Health Care Act.

Your Committees received testimony in support of this measure from University Health Alliance. Your Committees received testimony in opposition to this measure from the International Longshore and Warehouse Union Local 142 and Hawaii Regional Council of Carpenters. Your Committees received comments on this measure from the Department of the Attorney General, Department of Labor and Industrial Relations, Kaiser Permanente Hawaii, and Hawaii Medical Service Association.

Your Committees have amended this measure by:

(1) Requiring employers that offer high deductible health plans to also contract with a third party to offer and manage health savings accounts, which shall be maintained in conjunction with each high deductible health plan;

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- (2) Requiring employers that offer high deductible health plans to deposit an amount equal to the applicable deductible in each corresponding health savings account;
- (3) Changing its effective date to July 1, 2090, and adding a sunset date of June 30, 2022, to encourage further discussion; and
- (4) Making technical nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Intrastate Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 407, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 407, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committees on Health and Intrastate Commerce,

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TAKASHI OHNO, Chair

DELLA AU BELATTI, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature



Record of Votes of the Committee on Health

Bill/Resolution No.: HB 407 HCT						
θ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: θ Pass, unamended (as is) θ Pass, with amendments (HD) θ Hold θ 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)	V		19-11-11-11-11-11-11-11-11-11-11-11-11-1			
2. KOBAYASHI, Bertrand (VC)						
2 HAD Shares E						
3. HAR, Sharon E.						
4. MORIKAWA, Dee						
5. OSHIRO, Marcus R.						
6. TODD, Chris	anna an			En na seri ni seri di la seri di seri s		
7. TUPOLA, Andria P.L.						
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TOTAL (7)	2	4	Ð			
The recommendation is: θ Adopted θ Not Adopted If joint referral,						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						

State of Hawaii House of Representatives The Twenty-ninth Legislature



Record of Votes of the Committee on Intrastate Commerce

Bill/Resolution No.: HB 407 HLT/JAC, CPC Date: 2/14/17						
θ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: θ Pass, unamended (as is) λ Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)						
IAC Members	Ayes	Ayes (WR)	Nays	Excused		
1. OHNO, Takashi (C)						
2. CHOY, Isaac W. (VC)						
3. CACHOLA, Romy M.						
4. ITO, Ken						
5. ONISHI, Richard H.K.						
J. UNISHI, KICHATU H.K.	<u> </u>					
6. TOKIOKA, James Kunane			<u>than in an an an an</u> be			
7. WOODSON, Justin H.		- Carl Frank, and and provide and an and a state of the	, azal a el ballez domb migig			
			Christen februarista Second and a statistical			
8. WARD, Gene				/		
TOTAL (8)	5		0	2		
The recommendation is: Adopted θ Not Adopted If joint referral,						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						