

Honolulu, Hawaii

APR 28 2017

RE: S.B. No. 387
S.D. 1
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 387, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to require a health carrier with a network plan to maintain a network that is sufficient in numbers and appropriate types of providers, to ensure that covered persons under a health benefit plan have access to covered benefits.

Your Committee on Conference finds that the federal Patient Protection and Affordable Care Act of 2010 requires that health plans participating in qualified health plans meet network adequacy standards to ensure consumers have access to needed care without unreasonable delay. In November 2015, the National Association of Insurance Commissioners (NAIC) adopted a new Network Adequacy Model Act (Model Act) that established standards for the creation and



maintenance of health plan networks and to assure the adequacy, accessibility, transparency, and quality of health care services offered under a network plan.

Your Committee on Conference further finds that this measure is Hawaii's adaptation of the NAIC's Model Act and is the product of a working group established by the Insurance Commissioner to create network adequacy policies that balance the realities of Hawaii's unique provider base with a health plan's ability to provide its members with proper access to a sufficient number of in-network primary care and specialty providers.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 387, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 387, S.D. 1, H.D. 1, C.D. 1.

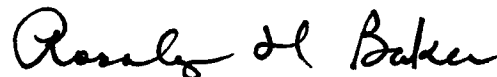
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



DELLA AU BELATTI
Co-Chair



ROSALYN H. BAKER
Chair



ROY M. TAKUMI
Co-Chair



BERTRAND KOBAYASHI
Co-Chair



Hawaii State Legislature

CLR 87

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 387, SD 1, HD 1	Date/Time: <i>2017 02/14</i> <i>4-27-2017 10:12 AM</i>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

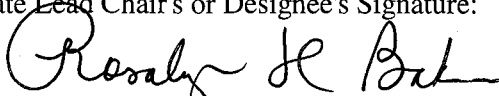
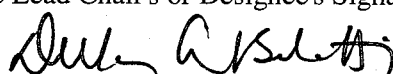
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				BELATTI, Della Au, Co-Chr.	✓			
ESPERO, Will					TAKUMI, Roy M., Co-Chr.	✓			
NISHIHARA, Clarence K.	✓				KOBAYASHI, Bertrand, Co-Chr.	✓			
					TUPOLA, Andria P.L.	✓			
TOTAL	2	-	-	1	TOTAL	4	-	-	-

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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