STAND. COM. REP. NO. 150

Honolulu, Hawaii

February 7, 2019

RE: H.B. No. 1464 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1464 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to require the Insurance Commissioner to:

- (1) Study the current capitated rate reimbursement model used by some providers in Hawaii to reimburse primary care physicians;
- (2) Compare the information with the payment models used in other states; and
- (3) Report back to the Legislature prior to the 2020 Regular Session.

The Hawaii Medical Association and an individual supported this measure. The Department of Commerce and Consumer Affairs opposed this measure. The Hawaii Medical Service Association provided comments.

Your Committee notes that concerns were raised by the Department of Commerce and Consumer Affairs' Insurance Division in

its testimony. The Insurance Commissioner testified that the study proposed in this measure would require accessing the data of parties named in this measure, and that the Insurance Division has no regulatory authority over healthcare providers. The Insurance Commissioner also stated that the study, impact analysis, and modeling are beyond the scope of its staff's expertise and would require hiring outside experts or consultants at an estimated cost of \$250,000 or more.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

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 H.B. No. 1464, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1464, 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,

OHN M. MIZUNO, Chai

State of Hawaii House of Representatives The THIRTIETH Legislature



Record of Votes of the Committee on Health

Bill/Resolution No.: HB 1464	Committee Referral: HLT, CPC, t	-IN Date	1-31-1	9
☐ 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)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)				-
2. KOBAYASHI, Bertrand (VC)				
2. ROBA (ASH), Dertrand (VC)				
3. BELATTI, Della Au				
4. NAKAMURA, Nadine K.			a talan aning grant and animate aliaban a strength and a second animate animat	<u> </u>
5. SAN BUENAVENTURA, Joy A.				
6. SAY, Calvin K.Y.				
7. TOKIOKA, James Kunane				
8. WARD, Gene				
or many deale				
				-
TOTAL (8)	7			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				