Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 1464 H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1464, H.D. 1, 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 perform a study on capitated rates, comparing Hawaii's current practices with those of other states.

The Hawaii Psychological Association, American Academy of Pediatrics, Hawaii Chapter, Hawaii Medical Association, and a few individuals testified in support of this measure. The Department of Commerce and Consumer Affairs testified in opposition. The Hawaii Medical Service Association provided comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the study examine the correlation between increases in the minimum wage and increases in capitated payment rates in other states; and
- (2) Inserting an appropriation for an unspecified amount for the Insurance Division to conduct the study.



Should your Committee on Finance consider this measure, your Committee respectfully requests that it consider \$250,000 as an appropriate amount necessary as stated by the Insurance Commissioner.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1464, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1464, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROY M. TAKUMI, Chair

State of Hawaii



Record of Votes of the Committee on Consumer Protection & Commerce

| Bill/Resolution No.: HB 1464 HD/ | Committee Referral: 4LT, CPC, FIN | Date | = 2/13 | /19 | |
|---|-----------------------------------|-----------------|--------------------------|----------|-----|
| ☐ 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) | | | | | |
| CPC Members | Ayes | Ayes (WR) | Nays | Excused | |
| 1. TAKUMI, Roy M. (C) | J | | ·+··· 2-2-2 | | |
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| 2. ICHIYAMA, Linda (VC) | V | | | | 600 |
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| 3. AQUINO, Henry J.C. | | | | | |
| 4. BELATTI, Della Au | | | | | |
| 4. DELATTI, Della Au | V | | | | |
| 5. CABANILLA ARAKAWA, Rida | · | | | ***** | |
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| 6. CACHOLA, Romy M. | ✓ | | | | 16 |
| | | 100 mg (100 mg) | | | |
| 7. HAR, Sharon E. | <i></i> | | | | |
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| 8. KONG, Sam Satoru | / | | | | 38 |
| O MIZUNO Labor M | | | | | |
| 9. MIZUNO, John M. | · · | | | | |
| 10. ONISHI, Richard H.K. | | | | | |
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| 11. MATSUMOTO, Lauren | - | | | | |
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| TOTAL (44) | 100 | | | | _ |
| TOTAL (11) | /0 | 0 | | \ | |
| 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 | | | | | |