



March 11, 2020

The Honorable Laura H. Thielen, Chair
The Honorable Lorraine R. Inouye, Vice Chair
Senate Committee on Government Operations

The Honorable Brian T. Taniguchi, Chair
The Honorable Les Ihara, Jr., Vice Chair
Senate Committee on Labor, Culture and the Arts

Re: SCR 102 / SR 66 – Requesting the Legislative Reference Bureau to conduct a study on the feasibility of enacting statutory authority for collective negotiation between physicians and health care insurers in Hawaii to restrain or balance the monopsonistic market power of health care insurers over independent physicians

Dear Chair Thielen, Chair Taniguchi, Vice Chair Inouye, Vice Chair Ihara, and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify expressing our serious concerns for SCR 102 and SR 66.

HMSA respectfully opposes these resolutions. The intent of the study is to evaluate allowing physicians who are not part of a group practice to share information about contractual terms and rates with insurance companies in order to collectively bargain. We believe this premise would presume to allow physicians to engage in price fixing which is against federal antitrust laws. The concern with price fixing and collusion among physicians is that it will lead to artificially increased reimbursements resulting in increased and unsustainable health care costs and premiums for our members.

The Federal Trade Commission (FTC) has weighed in on active state legislation in the past and found that similar attempts to circumvent federal antitrust law would not improve patient care, but instead would likely raise health care costs and decrease access to care.

We respectfully ask that this measure be deferred. Should this measure move forward, we respectfully recommend that the legislature request the FTC to weigh in on this concept.

Thank you for the opportunity to testify on this measure. Your consideration of our concerns is greatly appreciated.

Sincerely,

Pono Chong
Vice President, Government Relations

SR-66

Submitted on: 3/9/2020 3:16:48 PM

Testimony for GVO on 3/12/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Allix Hessick	Individual	Support	No

Comments:

SR-66

Submitted on: 3/12/2020 7:53:45 AM

Testimony for GVO on 3/12/2020 2:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Arthur K Blackburn	Individual	Support	No

Comments:

DO SOMETHING!!! We're losing physicians at an alarming rate. We had a physician shortage crisis long before the coronavirus pandemic came along. The insurance companies are powerful and don't want to give an inch, while we here on the Big Island already can't find a doctor to see us, but we all still pay our monthly premiums, don't we! Break the insurance company monopoly!