

Honolulu, Hawaii

FEB 15 2022

RE: S.B. No. 2835
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2835 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit health insurance companies from denying coverage on the basis of gender identity if the policy covers the treatment for purposes other than gender transition; and
- (2) Require insurance companies to provide applicants and insured persons with clear information about the coverage of gender transition services, including the process for appealing a claim denied on the basis of medical necessity.

Your Committee received testimony in support of this measure from the Americans for Democratic Action Hawai'i; Democratic Party of Hawai'i; Stonewall Caucus of the Democratic Party of Hawai'i; Hawaii Health & Harm Reduction Center; National Center for Transgender Equality and Transgender Law Center; One Single Rainbow Connection, LLC; Kumukahi Health & Wellness; and thirty-nine individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs,



Hawaii Association of Health Plans, and Hawaii Medical Service Association.

Your Committee finds that there is a growing consensus among major medical organizations that gender transition-related health care services, including surgical treatments, are medically necessary to alleviate gender dysphoria and should be covered by a patient's insurance. Refusing to cover services and treatments on the sole basis that they relate to gender transition, when those same treatments would otherwise be covered under a policy if prescribed for non-transgender conditions or treatments, constitutes discrimination and can lead to serious mental health ramifications for transgender persons who are arbitrarily denied coverage. This measure is therefore necessary to prohibit insurance companies from further discriminating on the basis of gender identity. Your Committee notes that this measure is subject to an impact assessment report by the Auditor, pursuant to section 23-51, Hawaii Revised Statutes.

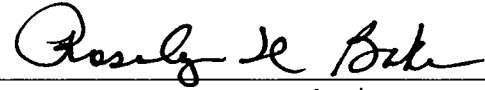
Your Committee has amended this measure by:

- (1) Moving the requirements pertaining to health maintenance organizations from sections 431:10A-118.3 and 432:1-607.3, Hawaii Revised Statutes, to its respective section 432D-26.3, Hawaii Revised Statutes;
- (2) Specifying that no treatment or service shall be denied on the basis that it is not medically necessary unless a health care provider with experience in prescribing or delivering gender affirming treatment first reviews or confirms the appropriateness of the adverse benefit determination; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2835, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2835, S.D. 1, and be referred to your Committee on Judiciary.



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



ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2835	CPN, IDC	2-3-2022		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
DECOITE, Lynn	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt	/			
TOTAL	7			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K Nishihara</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes