



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Health and Human Services
Wednesday, March 20, 2024

1:05 p.m.

State Capitol, Conference Room 225 and via Video Conferencing

On the following measure:

H.B. 2393, H.D. 1, RELATING TO TITLE 24, HAWAII REVISED STATUTES

Chair San Buenaventura and Members of the Committee:

My name is Gordon Ito, and I am the Insurance Commissioner for the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department supports this administration bill.

The purpose of this bill is to require health insurers, mutual benefit societies, and health maintenance organizations to cover mandated services for mammography at least as favorably as coverage for other radiological examinations and provide amendments to external review procedures to improve consistency with the National Association of Insurance Commissioners Uniform Health Carrier External Review Model Act.

We respectfully ask that Section 7 of this bill be amended to indicate an effective date of January 1, 2025.

Sections 1 and 2 of this bill will ensure a base level of coverage for breast cancer screening under current insurance mandates based on coverage for other radiological exams.

Sections 3, 4, and 5 of this bill align HRS chapter 432E more closely with the model law on which the chapter is based. The external review process for health plans codified in HRS chapter 432E, Part IV, is the process by which an enrollee may request a review of a plan's decision to deny coverage for or payment of a medical service and is based on the National Association of Insurance Commissioners Uniform Health Carrier External Review Model Act (Model Act); however, it deviates in significant part from the Model Act with respect to provisions that allow the Commissioner to review health plan determinations that indicate cases are not eligible for external review. The existing language compels the Commissioner to follow a procedure that requires rendering a determination as to whether an enrollee is eligible for external review, regardless of whether there is sufficient information or whether the determination is complicated by issues outside the Commissioner's jurisdiction. Sections 3, 4, and 5 of this bill will align this review provision of the external review process with the Model Act, which provides the Commissioner with permissive authority to send a case to external review if determined that the case is eligible. Sections 3, 4, and 5 also clarify that health plans must provide any documents they have received related to an external review request to the independent review organization assigned to conduct an external review.

Thank you for the opportunity to testify, and respectfully ask the Committee to pass this administration bill.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • TTY (808) 586-8162 • Fax (808) 586-8129

March 20, 2024

TESTIMONY TO THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

House Bill 2393 HD1 – Relating to Title 24, Hawaii Revised Statutes

The Disability and Communication Access Board (DCAB) supports House Bill 2393 HD 1 – Relating to Title 24, Hawaii Revised Statutes.

This bill requires health insurers, mutual benefit societies, and health maintenance organizations to cover mandated services for mammography at least as favorably as coverage for other radiological examinations. Provides amendments to external review procedures to improve consistency with the National Association of Insurance Commissioners Uniform Health Carrier External Review Model Act.

Early detection of cancer is vital for it to be successfully treated. This bill helps to ensure mammograms are ordered when warranted.

Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Jarrett Keohokalole, Chair

Senator Carol Fukunaga, Vice Chair

DATE: March 20, 2024

FROM: MARTHA WIEDMAN, M.D

RE HB 1675 HD1- General Excise Tax; Exemption; Medical Services; Physicians; Advanced Practice Registered Nurses

Position: Support

The general excise tax purports to tax medical and dental providers and APRNS, who may then pass on this cost to their consumers, Hawaiian patients with multiple, often chronic diseases who are often indigent. Often the most severely affected patients are already less able to pay due to disability, advanced age or job loss. The health care provider who has reduced reimbursement from CMS has the undesirable choice to either deny service to his patients or to reduce his hours, close his business or relocate to the mainland to maintain a viable practice.

Hawaii already suffers a dire lack of healthcare providers, the most in the United States, predominantly primary care physicians, as well as specialists. This lack of care puts all patients in jeopardy, as was particularly evident during the Covid 19 pandemic and the Lahaina fire. The lack of care delays diagnosis and treatment and increases the use of emergency department services, which, in turn boosts patient costs. The cost to the providers dissuades new physicians from moving to Hawaii and augments the severe physician shortage.

The burden of the general excise tax unfairly targets patients and the primary care physicians and APRNS who treat them and severely reduces Hawaii's chances for economic recovery. Please support this exemption to reduce the unfair burden to Hawaii's patients.

Sincerely,

Martha Wiedman, M.D.