

STAND. COM. REP. NO.

671

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 250  
H.D. 2

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 250, 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:

- (1) Examine prior authorization practices in the State by  
requiring utilization review entities to report certain  
data to the State Health Planning and Development  
Agency;
- (2) Establish timelines for the approval of prior  
authorization requests to reduce delays for urgent and  
non-urgent health care services; and
- (3) Establish the Health Care Appropriateness and Necessity  
Working Group to make recommendations to improve and  
expedite the prior authorization process.

Your Committee received testimony in support of this measure  
from the Department of Health; State Health Planning and  
Development Agency; Hawai'i Association of Professional Nurses;  
Hawaii Academy of Family Physicians; 'Ahahui o nā Kauka; Hawaii  
Medical Association; Mohala Health LLC; American College of

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Obstetricians and Gynecologists, Hawaii Section; East Hawaii Independent Physicians Association; and three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association. Your Committee received comments on this measure from the Hawaii Association of Health Plans.

Your Committee finds that prior authorization is a health plan cost control process that requires physicians, other health care professionals, and hospitals to obtain advance approval from a health plan before a specific service to a patient to qualify for payment or coverage. Your Committee further finds that prior authorization imposes unnecessary delays in treatment. For example, in one survey, eighty-three percent of requests are subsequently overturned by the health plan. This measure streamlines and increases transparency of the prior authorization process.

Your Committee has amended this measure by:

- (1) Extending the deadline, from twenty-four hours to fourteen days, by which a health care facility or health care professional is required to submit requested information before the facility or professional would be required to submit a new prior authorization request to a utilization review entity;
- (2) Amending the composition of the Health Care Appropriateness and Necessity Working Group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 250, 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. 250, H.D. 2.



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



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SCOT Z. MATAYOSHI, Chair



