

STAND. COM. REP. NO.

673

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 557
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. 557, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TELEHEALTH,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Update the State's laws on telehealth services to conform with federal Medicare regulations;
- (2) Require the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services; and
- (3) Repeal the sunset date of Act 107, Session Laws of Hawaii 2023.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; State Health Planning and Development Agency; AARP Hawai'i; Hawaii Substance Abuse Coalition; Hina Mauka; Hawai'i Primary Care Association; American Cancer Society Cancer Action Network; Hawai'i Mental Health Coalition; AlohaCare; Alzheimer's Association - Hawaii Chapter; and Waianae Coast Comprehensive Health Center. Your Committee received testimony in opposition to this measure from the Hawaii Medical

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Service Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Health; Department of Human Services; University of Hawai'i System; Hawai'i Pacific Health; Healthcare Association of Hawaii; Hawaii Medical Association; The Queen's Health Systems; Hawaii Association of Health Plans; and ATA Action.

Your Committee finds that the use and expansion of telehealth services and technology in the State have been recognized as a way to increase access and reduce delays to health care, particularly in rural areas of the State. Due to the COVID-19 pandemic, telehealth became essential as the health care system and patients adjusted to the new realities, and as a result, the United States Centers for Medicare and Medicaid Services authorized, among other changes, reimbursement for audio-only telehealth services.

Your Committee further finds that this measure is intended to conform telehealth definitions under state law to be consistent with recent federal guidance. However, your Committee notes that there are currently numerous uncertainties regarding federal health care policy, including how the federal government may interpret reimbursement guidelines for audio-only telehealth services. Given the lack of certainty surrounding federal policies in this area, your Committee believes that attempting to conform state law to federal regulations may be premature at this point.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the provisions that would have codified updates to the State's laws on telehealth services to conform with federal Medicare regulations and required the Insurance Commissioner to report certain reimbursement information to the Legislature;
- (2) Extending the sunset date of Act 107, Session Laws of Hawaii 2023, to December 31, 2026; 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. 557, 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. 557, H.D. 2.

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



SCOT Z. MATAYOSHI, Chair



