
A BILL FOR AN ACT

RELATING TO HEALTH CARE REIMBURSEMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that physicians provide
2 health care services for reimbursement and, in this sense, they
3 are no different from any other business that is conducted in
4 the State. Physicians have employees who need to be paid
5 promptly and must pay for rent, expenses, and overhead like any
6 other business. However, physicians are often not reimbursed on
7 a timely basis. In many cases, they are also reimbursed at less
8 than the applicable current medicare rates.

9 The purpose of this Act is to require health insurers,
10 mutual benefit societies operating as hospital and medical
11 services plans, and health maintenance organizations to
12 reimburse physicians promptly and at rates no less than the
13 current applicable medicare rates.

14 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
15 amended by adding a new section to article 10A to be
16 appropriately designated and to read as follows:

17 "§431:10A- Prompt reimbursement; medicare rates. Each
18 employer group health policy, contract, plan, or agreement



1 issued under this article by a health insurer shall reimburse a
2 physician promptly and at a rate no less than the applicable
3 current medicare rate."

4 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§432- Prompt reimbursement; medicare rates. Each
8 individual and group hospital or medical service plan, policy,
9 contract, or agreement issued under this chapter by a mutual
10 benefit society shall reimburse a physician promptly and at a
11 rate no less than the applicable current medicare rate."

12 SECTION 4. Chapter 432D, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§432D- Prompt reimbursement; medicare rates. Each
16 policy, contract, plan, or agreement issued under this chapter
17 by a health maintenance organization shall reimburse a physician
18 promptly and at a rate no less than the applicable current
19 medicare rate."

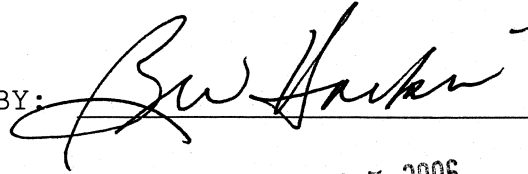
20 SECTION 5. New statutory material is underscored.



1 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Bill Harkin", written over a horizontal line.

JAN 25 2006



HB3041

Report Title:

Health Insurance; Medicare; Prompt Payment

Description:

Requires health insurance plans, mutual benefit societies, and health maintenance organizations to reimburse physicians promptly and to pay up to 100% of applicable medicare rates.

