

STAND. COM. REP. NO.

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Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 1479

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 1479, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE SUPPORT FOR
SMALL BUSINESSES,"

begs leave to report as follows:

The purpose of this bill is to increase parity in the availability of health insurance coverage for employers by expanding the requirement that health insurers offer group health insurance to all small employers whose employees live and work in the insurer's service areas, to include sole proprietors and small businesses with part-time employees working 20 hours or more per week.

The Insurance Commissioner of the Department of Commerce and Consumer Affairs and Hawaii Association of REALTORS supported this bill. Kaiser Permanente and Hawaii Medical Service Association commented.

This law would provide to sole proprietors and small businesses with part-time employees, group health insurance without pre-existing condition exclusions and at a lower price. However, your Committee recognizes the concern that this group, as voluntary participants who are not covered by the Prepaid Health Care Act, could increase costs to the current pool of participants by purchasing health coverage when they need the services, and choosing not to purchase coverage if they are healthy.

HB1479 HD1 HSCR EDB HMS 2007-2173



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As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1479, H.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



