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# A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE REIMBURSEMENTS.

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

1           SECTION 1. The legislature finds that health care  
2 reimbursements in Hawaii are so low that many physicians are  
3 leaving the state and many hospitals have no resources to  
4 reinvest in critical health technology. This combined with the  
5 high cost of living in Hawaii has led to severe health provider  
6 shortages in Hawaii, especially on the neighbor islands.

7           The purpose of this Act is to ensure that mutual benefit  
8 societies provide physicians practicing in Hawaii with a fair  
9 rate of reimbursement for their services.

10          SECTION 2. Chapter 432, Hawaii Revised Statutes, is  
11 amended by adding a new section to article 1 to be appropriately  
12 designated and to read as follows:

13           "§432-           Physician reimbursement for medical services.  
14 Whenever any provision of any individual or group hospital or  
15 medical service plan contract provides for reimbursement of or  
16 payment for services provided by a physician licensed under  
17 chapter 453, other than services provided under a medicaid plan,  
18 reimbursement or payment shall be at a rate of not less than one



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1 hundred twenty-five per cent of medicare reimbursement rates for  
2 comparable services."

3 SECTION 3. This Act does not affect rights and duties that  
4 matured, penalties that were incurred, and proceedings that were  
5 begun, before its effective date.

6 SECTION 4. New statutory material is underscored.

7 SECTION 5. This Act shall take effect upon its approval.

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JAN 11 2008



**Report Title:**

Mutual Benefit Societies; Reimbursement of Physicians

**Description:**

Ensures physicians are reimbursed for services at a rate of not less than one hundred twenty-five per cent of medicare reimbursement rates.

