
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. (a) The auditor shall prepare a written report
2 on the adequacy of health plan reimbursements to physicians and
3 hospitals in Hawaii. This report shall include, to the extent
4 practicable:

5 (1) A survey of the amount of compensation or salary of
6 the active, practicing doctors in Hawaii in the
7 following areas of specialty:

- 8 (A) Internal medicine;
9 (B) Obstetrics and gynecology;
10 (C) Pediatrics;
11 (D) Neurology;
12 (E) Anesthesiology; and
13 (F) Orthopedics;

14 (2) A comparison of Hawaii physician compensation or
15 salary information to national physician salary
16 information;



- 1 (3) A survey of the patient co-share payments in Hawaii
- 2 compared to patient co-share payments in other states;
- 3 (4) A survey of the Hawaii Medical Service Association,
- 4 Hawaii Management Alliance Association, Kaiser
- 5 Foundation Health Plan, Summerlin Life and Health
- 6 Insurance Company, and University Health Alliance to
- 7 determine:
- 8 (A) The reimbursements paid to physicians for the top
- 9 twenty-five most-used medical procedures in each
- 10 area of specialty listed under paragraph (1);
- 11 (B) The reimbursements from the twenty-five most-used
- 12 office codes;
- 13 (C) The reimbursements from the twenty-five most-used
- 14 hospital-based codes;
- 15 (D) A comparison of the reimbursements surveyed in
- 16 subparagraphs (A), (B), and (C) with the Medicare
- 17 and Medicaid rate for the same service; and
- 18 (E) The identification of the current procedural
- 19 terminology codes for the reimbursements, if
- 20 applicable;



- 1 provided that the reimbursements studied should be the
2 maximum eligible amount that is both the plan payment
3 and any co-payment or co-share due from the member;
- 4 (5) A comparison of the reimbursements in paragraph (4)
5 with the reimbursements in other states;
- 6 (6) A survey of selected providers, including physicians
7 and hospitals, to provide examples of the actual costs
8 of providing health care services in Hawaii;
- 9 (7) A survey of students at the John A. Burns School of
10 Medicine to determine whether low reimbursements
11 create a disincentive to practice in Hawaii;
- 12 (8) A survey reflecting the shortfalls in payments by
13 medicare, medicaid, and private insurance to cover
14 costs incurred by hospitals and physicians;
- 15 (9) A survey to compare insurance premiums paid by
16 individuals and employers for health plan coverage in
17 Hawaii with insurance premiums paid in other states;
18 and
- 19 (10) A survey to compare the average costs of malpractice
20 insurance premiums incurred by physicians and by
21 specialties in Hawaii with other states.



1 (b) Each health plan listed in subsection (a)(4) shall
2 submit, at the time and in the form prescribed by the auditor,
3 the information deemed necessary by the auditor to complete the
4 report required under this section. Proprietary or trade secret
5 information submitted in compliance with this section shall
6 remain confidential and protected from discovery, production,
7 and disclosure for as long as the auditor deems necessary.

8 In the final report submitted to the legislature, the
9 auditor shall report confidential data without disclosing the
10 identity of the source of the data.

11 (c) The auditor shall report the auditor's findings and
12 recommendations to the legislature not later than twenty days
13 prior to the convening of the regular session of 2010.

14 SECTION 2. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so much
16 thereof as may be necessary for fiscal year 2008-2009 for the
17 hiring of a consultant to assist the auditor in preparing this
18 report and for the purchase of information.



1 The sum appropriated shall be expended by the office of the
2 auditor for the purposes of this Act.

3 SECTION 3. This Act shall take effect on July 1, 2020.



Report Title:

Health Insurance Reimbursements

Description:

Requires the Auditor to conduct a study of the adequacy of health plan reimbursements to providers. Effective July 1, 2020. (SB2864 HD2)

