

Honolulu, Hawaii

April 4, 2008

RE: S.B. No. 409
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 409, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to:

- (1) Minimize accidental patient injuries and deaths in hospitals; and
- (2) Ensure that patients in Hawaii receive quality health care,

by requiring health insurance providers to include in their policies medical vigilance services for covered patients who are receiving in-patient health care services at an acute-care hospital.

The Queen's Medical Center and a concerned individual supported this bill. The Hawaii Medical Services Association, Kaiser Permanente Hawaii, Healthcare Association of Hawaii, Hawaii Association of Health Plans, The Chamber of Commerce of Hawaii, Hawaii Pacific Health, and Outrigger Hotels & Resorts opposed this measure. The Department of Commerce and Consumer Affairs submitted comments.



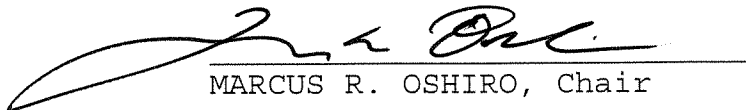
Your Committee notes that the Auditor conducted a sunrise review as requested by S.C.R. No. 209, H.D. 1, C.D. 1, 2007, of the "intelligent medical vigilance" services mandated under S.B. No. 409, S.D. 1, 2007. The Auditor found that the term refers to a specific product developed for use by hospitals and concluded that an assessment of the social and financial impacts of requiring health insurers to offer coverage would be inappropriate because the term refers to a specific, trademarked, commercial product and not health care services. The Auditor also concluded that a lack of adequate information in S.B. No. 409, S.D. 1, 2007, as required by section 23-51, HRS, made an assessment of social and financial impacts unfeasible, and therefore made no recommendations.

Your Committee has amended this bill by:

- (1) Clarifying that this bill calls for a service providing vigilant surveillance to monitor a patient's vital signs rather than a specific product; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 409, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 409, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



