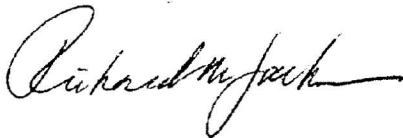


by requiring consumers (and their employers) to spend available funds on benefits that they would otherwise not choose to purchase.

3. Mandates impose static clinical procedures which can fail to promote evidence-based medicine, defined as the daily practice of medicine based on the highest level of available evidence determined through scientific study. Evidence-based medicine promotes high quality care. Unfortunately, even when a mandate promotes evidence-based medicine when adopted, the mandate does not timely change to reflect medical advances, new medical technology, or other new developments. Mandates can become obsolete or even harmful to patients.

Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rick Jackson". The signature is written in black ink and is positioned above the typed name and title.

Rick Jackson
President

HMSA



Blue Cross
Blue Shield
of Hawaii

An Independent Licensee of the Blue Cross and Blue Shield Association

January 23, 2008

The Honorable Josh Green, M.D., Chair
The Honorable John Mizuno, Vice Chair
House Committee on Health

Re: HB 2117 – Relating to Health Insurance

Dear Chair Green, Vice Chair Mizuno and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 2117 which would mandate health plans provide coverage for colorectal cancer screening. HMSA is unsure as to the necessity of this legislation.

HMSA recognizes the importance of our members receiving appropriate screenings in order to detect illnesses in their early and treatable stages. At this time HMSA's HMO and PPP plans both provide coverage for colon cancer screenings according to recognized national guidelines.

In addition, we believe that prior to passing any new legislation which would require health plans to provide benefits not currently covered in their plan offerings, the Legislature should request an Auditor's study as required under Hawaii Revised Statutes 23-51 and 23-52. This study will provide decision-makers with objective information prior to including these new benefits. With health care costs continuing to escalate it is important to consider the impact that requiring such benefits will have on the cost of health care, especially for local employers who typically bear the brunt of such cost increases.

Thank you for the opportunity to testify on HB 2117.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD' or similar initials.

Jennifer Diesman
Director, Government Relations

Testimony of
Phyllis Dendle
Director of Government Affairs

Before:
House Committee on Health
The Honorable Josh Green M.D., Chair
The Honorable John Mizuno, Vice Chair

January 23, 2008
8:00 am
Conference Room 329

HB 2117 RELATING TO HEALTH INSURANCE (Colonoscopy)

Chair Green and committee members, thank you for this opportunity to provide testimony on HB2117 which requires health insurance plans to cover screening for colorectal cancer by colonoscopy every ten years, beginning at age 50.

Kaiser Permanente Hawaii opposes this bill.

Currently we provide screening colonoscopy for high-risk individuals at no cost (or in some cases the co-pay of an office visit -\$14). For average risk patients Fecal Occult Blood Test (FOBT) and flexible sigmoidoscopy is provided at no cost and a colonoscopy is provided at no cost if these tests are positive. The definition of high-risk that we use is evidence based. The risk of colon cancer in an individual with 1 first degree relative (father, mother, sibling, or child) with colon cancer after the age of 60 is no different than the general population.

We are currently doing close to the maximum we can do with current staffing. To provide universal screening as proposed would require at least 2 additional gastroenterologists. Each gastroenterologist, taking into account salary, benefits, malpractice, a nurse, a technician, a medical assistant, and equipment costs about \$1,000,000 a year.

Even if funded we would still have a problem because of the shortage of gastroenterologists. It took us 2 years to recruit the last hire. There is a nationwide shortage and it is even more severe in Hawaii. Outside of Kaiser, with not providing average risk screening, the average wait time is approximately 3 months. This is for high risk (blood positive stools, family history, symptomatic patients, etc). To increase the burden by mandating average risk screening could potentially lengthen the time that a high-risk patient goes without an exam.

The risk of injury or adverse event during a colonoscopy is approximately 30 times that of a flexible sigmoidoscopy. The published rate of injury for colonoscopy is about 1/1,000 exams, whereas a flexible sigmoidoscopy is 1/30,000. Nobody to date has published a study showing that colonoscopy, as a screening exam, is superior in terms of net outcomes. It is intuitively logical that a more complete exam will find more lesions, but at what cost in terms of money, delaying wait times for high risk individuals, and injuries due to colonoscopy and sedation?

This mandate could have negative outcomes if there is a shift from hemocults and sigmoidoscopy to colonoscopy. It could result in a more thorough evaluation for far fewer patients. With the same resources we can screen 4 patients with a sigmoidoscopy or 1 patient with a colonoscopy.

We request that you hold this bill. Thank you for your consideration.

May Mizuno

From: HMA Karla Sasser [karla_sasser@HMA-ASSN.org]
Sent: Tuesday, January 22, 2008 9:20 AM
To: HLTtestimony
Cc: HMA Paula Arcena
Subject: Testimony

Text Box:

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Hawaii Medical Association
1360 S. Beretania St.
Suite 200
Honolulu, HI 96814
(808) 536-7702
(808) 528-2376 fax
www.hmaonline.net

January 23, 2008

House Health
Comm.
1-23-08, Wed.
8am

To: Rep. Josh Green, M.D., Chair, 329
 Rep. John Mizuno, Vice Chair
 House Committee on Health

From: Cynthia Goto, M.D., President
 Linda Rasmussen, M.D. and Philip Hellreich, M.D.,
 Legislative Co-Chairs
 Paula Arcena, Executive Director
 Dick Botti, Government Liaison

- RE: HB2011 Relating to Breast Cancer (coverage of hospital stays of at least 48-hours in connection with mastectomies)
- HB2013 Relating to Cancer (coverage of oral chemotherapy)
- HB2016 Relating to Health Insurance (coverage of methods of oral chemotherapy)
- HB2117 Relating to Health Insurance (screen for colorectal cancer by colonoscopy every ten years, age 50)

The HMA supports the intent of the above-stated bills to provide for needed medical care, but has concerns about adding to Hawaii's already long list of mandated health insurance benefits. The addition of more benefits increases health care costs, thereby increasing premiums and putting health care coverage out of reach for more of our residents. For that reason and those explained below, the HMA is opposed to mandated benefits.

Mandated benefits should consist of core benefits that are limited to medical needs. Many existing benefits, such as mammograms, immunizations, mental health and alcohol and drug dependence treatment, are necessary to maintain the health of Hawaii's citizens. These benefits warrant mandating because they are cost effective by preventing future illness, which would be far more costly to treat and cure. The HMA

strongly believes that every member of our society needs and deserves a core group of medical and surgical benefits, including psychiatry and addition medicine.

Over and above these benefits, the HMA generally favors free market solutions and opposes mandated benefits, because they significantly increase the cost of health care and ultimately increase the number of uninsured or underinsured people. However, it is important to retain some flexibility in order to reflect advances in medical science and to address those instances in which the free market does not induce third party payers to cover new diagnostic and therapeutic services.

While it is vitally important to consider the cumulative cost of mandated benefits, the delivery of quality health care should not be prohibited with an arbitrary cap.

Following the 2001 legislative session, the HMA participated in the Mandated Benefits Task Force, convened by the Insurance Commissioner, and served on committees led by former Representatives Ken Hiraki and Dennis Arakaki and Senator Brian Taniguchi. The task force and its committees spent a significant amount of time discussing this issue.

Unfortunately, the legislature did not act upon the recommendations of the task force. While the report is 6 years old, we think it would be helpful for this committee to review the Task Forces' report and re-visit this issue before adding mandated benefits.

Thank you for the opportunity to testify on this matter.



LINDA LINGLE
GOVERNOR
JAMES R. AIONA, JR.
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
www.hawaii.gov/dcca

LAWRENCE M. REIFURTH
DIRECTOR
RONALD BOYER
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON HEALTH

TWENTY-FOURTH LEGISLATURE
Regular Session of 2008

Wednesday, January 23, 2008
8:00 a.m.

WRITTEN TESTIMONY ONLY

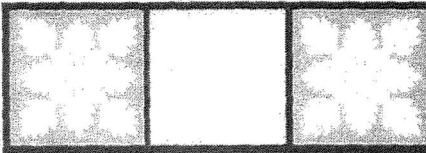
TESTIMONY ON HOUSE BILL NO. 2117 – RELATING TO HEALTH INSURANCE.

TO THE HONORABLE JOSH GREEN, M.D., CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is J. P. Schmidt, State Insurance Commissioner (“Commissioner”), testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department takes no position on this bill, which creates a mandated benefit for screening for colorectal cancer by colonoscopy every ten years beginning at age fifty.

The Department does not have the medical expertise necessary to express an informed opinion on the merits of this bill. In addition, mandated benefits help some patients, but also increase premiums for consumers. Weighing these complex issues is best left to the wisdom of the Legislature. It should also be noted that prior to enacting mandatory health insurance coverage, there must be a review by the Legislative Auditor pursuant to Hawaii Revised Statutes section 23-51.

We thank this Committee for the opportunity to present testimony on this matter.



Hawaii Association of Health Plans

January 23, 2008

The Honorable Josh Green, M.D., Chair
The Honorable John Mizuno, Vice Chair
House Committee on Health

Re: HB 2117 – Relating to Health Insurance

Dear Chair Green, Vice Chair Mizuno and Members of the Committee:

My name is Rick Jackson and I am President of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of seven (7) member organizations:

AlohaCare
Hawaii Management Alliance Association (HMAA)
HMSA
Hawaii-Western Management Group, Inc. (HWMG)
MDX Hawai‘i
University Health Alliance (UHA)
UnitedHealthcare (UHC)

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

Thank you for the opportunity to testify in opposition to HB 2117, which would require health plans to cover screening for colorectal cancer by colonoscopy every ten years, beginning at age 50. HAHP recognizes that legislative health mandates are often driven by the desire for improved health care services to the community; as health plans, our member organizations are committed to the same ideal. In general, however, HAHP member organizations oppose legislative health mandates as inefficient mechanisms for health care improvement for three (3) reasons:

1. Mandates, by their basic nature, increase health care costs for employers and employees.
2. We believe employers should have the right to, working with their insurer, define the benefit package they offer to their employees. Mandates misallocate scarce resources