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## A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

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

1           SECTION 1. The legislature finds that although many  
2 providers of health insurance currently maintain websites and  
3 use other forms of media to provide current and prospective  
4 members with written disclosure of coverages and benefits, there  
5 have been instances in which members have come across outdated  
6 or incorrect information.

7           Providing a website that is frequently updated with the  
8 most timely information regarding the health benefits that are  
9 provided by an insurer is essential, especially in current times  
10 when federal health reform legislation could change the  
11 landscape of health insurance and leave large numbers of people  
12 wondering how their policies may have been affected.

13           The purpose of this Act is to require providers of health  
14 insurance to post regularly-updated information regarding policy  
15 coverage on an internet website or to provide policy holders  
16 with the information via public notice through a newspaper  
17 publication or a newsletter.



1 SECTION 2. Chapter 431, Hawaii Revised Statutes, is  
2 amended by adding a new section to article 10A to be  
3 appropriately designated and to read as follows:

4 "§431:10A- Disclosure of health care coverage and  
5 benefits. To ensure that all individuals understand their  
6 health care options and are able to make informed decisions, an  
7 insurer shall provide current and prospective holders of a  
8 policy of accident and health or sickness insurance with written  
9 disclosure of coverages and benefits, including information on  
10 coverage principles and any exclusions or restrictions on  
11 coverage. The information provided shall be current,  
12 understandable, and available prior to membership, and upon  
13 request after membership. The information shall be:

14 (1) Posted on a website that shall be updated not less  
15 than once per year to ensure members that the  
16 information is current; or

17 (2) Made available not less than once per year through:

18 (A) A newsletter; or

19 (B) Public notice published or advertised in a  
20 newspaper or newspapers having a general  
21 circulation within the state."



1 SECTION 3. Section 432:1-101.5, Hawaii Revised Statutes,  
2 is amended to read as follows:

3 "§432:1-101.5 Disclosure of health care coverage and  
4 benefits. [~~In order to~~] (a) To ensure that all individuals  
5 understand their health care options and are able to make  
6 informed decisions, all mutual benefit societies shall provide  
7 current and prospective members with written disclosure of  
8 coverages and benefits, including information on coverage  
9 principles and any exclusions or restrictions on coverage.

10 The information provided shall be current, understandable,  
11 and available prior to membership, and upon request after  
12 membership. The information shall be:

13 (1) Posted on a website that shall be updated not less  
14 than once per year to ensure members that the  
15 information is current; or

16 (2) Made available not less than once per year through:  
17 (A) A newsletter; or  
18 (B) Public notice published or advertised in a  
19 newspaper or newspapers having a general  
20 circulation within the state.



1        (b) A policy provided to a member which describes  
2 coverages and benefits shall be in conformance with part I of  
3 article 10 of chapter 431."

4        SECTION 4. Section 432D-25, Hawaii Revised Statutes, is  
5 amended to read as follows:

6        "**§432D-25 Disclosure of health care coverage and benefits.**

7 ~~[In order to]~~ (a) To ensure that all individuals understand  
8 their health care options and are able to make informed  
9 decisions, all health maintenance organizations shall provide  
10 current and prospective enrollees with written disclosure of  
11 coverages and benefits, including information on coverage  
12 principles and any exclusions or restrictions on coverage.

13        The information provided shall be current, understandable,  
14 and available prior to enrollment, and upon request after  
15 enrollment. The information shall be:

16        (1) Posted on a website that shall be updated not less  
17        than once per year to ensure members that the  
18        information is current; or

19        (2) Made available not less than once per year through:

20        (A) A newsletter; or



1           (B) Public notice published or advertised in a  
 2           newspaper or newspapers having a general  
 3           circulation within the state.

4           (b) A policy or contract provided to an enrollee which  
 5 describes coverages and benefits shall be in conformance with  
 6 part I of article 10 of chapter 431."

7           SECTION 5. The insurance commissioner shall submit a  
 8 report to the legislature not later than twenty days prior to  
 9 the convening of the regular session of 2011. The report shall  
 10 include:

- 11           (1) An evaluation of the health insurance providers'  
 12           efforts to provided timely information through an  
 13           internet website, newsletter, or public notice;
- 14           (2) Any recommendations for improvements provided by the  
 15           department of health, department of human services,  
 16           and a representative of an independent hospital; and
- 17           (3) Any proposed legislation to implement the  
 18           recommendations provided in the report.

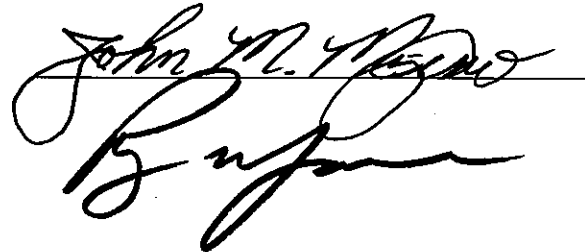
19           SECTION 6. Statutory material to be repealed is bracketed  
 20 and stricken. New statutory material is underscored.

21           SECTION 7. This Act shall take effect on January 1, 2011,  
 22 and shall be repealed on June 30, 2012; provided that sections

1 432:1-101.5 and 432D-25, Hawaii Revised Statutes, shall be  
2 reenacted in the form in which they read on the day before the  
3 effective date of this Act.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to read "John W. Waihele", written over a horizontal line. Below the signature is another handwritten mark, possibly initials or a second signature.

JAN 26 2010



**Report Title:**

Health Insurance; Policy Benefits Disclosure

**Description:**

Requires providers of health insurance to post regularly-updated information regarding policy coverage on an internet website or to provide policy holders with the information via public notice or a newsletter.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

