

STAND. COM. REP. NO.

2520

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2371
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2371, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIMITED BENEFIT HEALTH INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to exempt limited benefit health insurance policies from provisions of the Insurance Code enacted after July 1, 2010, unless the provisions are expressly made applicable.

Your Committee received testimony in support of this measure from the American Family Life Assurance Company of Columbus. Testimony with comments on this measure was received from the Insurance Commissioner of the Department of Commerce and Consumer Affairs and the American Council of Life Insurers. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that limited benefit health insurance policies are policies that cover a specific disease or condition or that provide reimbursement for specific expenses that are generally not covered by a primary health insurance policy. Your Committee finds that because the nature of a limited benefit health insurance policy is fundamentally different from that of a primary health insurance policy, laws that are generally applicable to primary health insurance policies may be inappropriate for limited benefit policies.

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Your Committee has amended this measure by clarifying that policies for disability income insurance, and not for disability insurance, qualify for the exemption from new provisions added to chapter 431, article 10A, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2371, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2371, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,




ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2071 SDI	HTH, CPN	2/19/10		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les	✓			
SAKAMOTO, Norman	✓			
HEMMINGS, Fred				✓
TOTAL	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes