

Honolulu, Hawaii

March 19, 2010

RE: S.B. No. 2529

S.D. 2

H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred S.B. No. 2529, S.D. 2, H.D. 1,
entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE CLAIMS,"

beg leave to report as follows:

The purpose of this bill is to improve the quality and cost-
efficiency of health care by establishing a task force to develop
policies and procedures for a health care claims uniform reporting
and evaluation system that is consistent with national standards.

Hawaii Medical Association (HMA), Hawaii Health Information
Corporation, Hawaii Medical Service Association, and Kaiser
Permanente Hawaii testified in support of this bill.

Your Committees find that this bill attempts to facilitate
comprehensive and accurate health insurance claims data collection
that will promote greater public awareness of health care costs,
increase transparency in the health care system, and help identify
ways to stem the continued rise of health care expenses.

Your Committees have amended this bill by:

- (1) Providing that the task force members from the insurance
industry shall be made up of four rather than six
representatives from insurers, mutual benefit societies,



fraternal benefit societies, and health maintenance organizations with the largest market shares for health insurance in Hawaii, to be appointed by the Insurance Commissioner;

- (2) Adding one representative each from HMA and Healthcare Association of Hawaii as task force members;
- (3) Requiring the task force to study ways to standardize third-party processing and payment of prescription drug claims by pharmacy benefit managers; and
- (4) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2529, S.D. 2, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto* as S.B. No. 2529, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Consumer
Protection & Commerce and
Judiciary,



JONI IKI KARAMATSU, Chair



ROBERT N. HERKES, Chair



