

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 940
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Health and Commerce and Consumer Protection, to which was referred S.B. No. 940 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this measure is to require insurers, mutual benefit societies, and health maintenance organizations to make direct payments to the State that funds the provision of pre-hospital ambulance treatment and transport services.

Your Committees received testimony in support of this measure from the Department of Health and the Department of Commerce and Consumer Affairs. Testimony was submitted by American Family Life Assurance Company of Columbus in support of this measure with amendments. Testimony in opposition of this measure was submitted by Hawaii Medical Service Association.

Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that, prior to 2008, direct payment for pre-hospital ambulance treatment and transport services has historically been a contract negotiation between the State and insurance providers. Therefore, your Committees are hesitant to become involved with the practice of requiring direct payment services and would encourage the State and insurance companies to come to a mutual agreement regarding a process for the payment for these services.




Your Committees have amended this measure by:

- (1) Clarifying that "pre-hospital ambulance treatment and transport services" means ambulance treatment and transport services generated through requests to the State's 911 system;
- (2) Clarifying that insurers that offer coverage for pre-hospital ambulance treatment and transport services, shall provide for direct payment for the provision of pre-hospital ambulance treatment and transport services;
- (3) Exempting any transaction between the provider of pre-hospital ambulance treatment and transport services and the insurer if the parties have entered into a contract providing for direct payment;
- (4) Changing the effective date to July 1, 2050 to encourage further discussion on the matter; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 940, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 940, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair


DAVID Y. ICE, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 940	HTH / CPN	2-25-9		
<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
IGE, David Y. (C)	✓			
GREEN, M.D., Josh (VC)	✓			
BAKER, Rosalyn H.	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.				✓
HEMMINGS, Fred	✓			
TOTAL	5	0	0	1
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

