

**LATE**



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**TO THE SENATE COMMITTEE ON COMMERCE  
AND CONSUMER PROTECTION**

**TWENTY-FIFTH LEGISLATURE  
Regular Session of 2010**

**Friday, February 19, 2010  
9:15 a.m.**

**WRITTEN TESTIMONY ONLY**

**TESTIMONY ON SENATE BILL NO. 2371, S.D. 1 – RELATING TO LIMITED  
BENEFIT HEALTH INSURANCE.**

**TO THE HONORABLE ROSALYN BAKER, CHAIR, AND MEMBERS OF THE  
COMMITTEE:**

My name is J.P. Schmidt, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department offers the following comments on this bill.

The purpose of this version of the bill is to add a new section to Article 10A, Hawaii Revised Statutes (“HRS”) chapter 431, that excludes any new provision enacted after July 1, 2010, from applying to accident-only, specified disease, hospital indemnity, long-term care, or other limited benefit health insurance policies (except Medicare supplement policies), unless the provision expressly states that it is applicable to such policies. The Senate Draft 1 added disability, dental, vision, and Medicare supplement policies to the list of excluded limited benefit health insurance policies to the new section.

HRS § 431:1-205 defines “accident and health or sickness insurance” to refer to disability insurance. Senate Draft 1 refers to “disability” and it is unclear whether this is

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intended to refer to "accident and health or sickness insurance" or disability income policies.

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