

SB2530



BETTER HEALTH • BETTER LIFE

LATE

Measures: SB 2529 and SB 2530

Date and Time of Hearing: February 9, 2010, 9:00 a.m.

February 8, 2010

Chairman Ige and Chairman Baker and Members of the Senate Health and Consumer Protection Committees:

I am Howard Lee, Executive Vice President and COO of University Health Alliance, a mutual benefit society which provides our members with access to quality health care services while protecting them from financial loss due to illness or injury. Through our partnership with physicians and medical scientists, we envision ourselves as a force for continuously improving the quality of our members' health care.

University Health Alliance supports SB 2529 which establishes a system under the department of commerce and consumer protection to collect, analyze and distribute health insurance claims information. We do not support SB 2530 because we prefer the version presented in SB2529.

Our support of SB 2529 is based on four factors:

1. We believe in transparency in health care.
2. We believe that all of us--health care providers, insurers, policy makers, citizens--need to understand how Hawaii's delivery system works. This common understanding supports both the identification and resolution of changes needed in the system.
3. We believe the information collected, once analyzed, can help all of us improve the quality of care delivered.
4. We believe it is inevitable that these data will be mandated. The sooner we act to collect it and understand it, the greater will be our collective ability to design the system we want rather than react to a system imposed through Federal legislation.

We do not object to the proposed fee to be imposed on health plans as a means of supporting this database.

Thank you for the opportunity to support SB 2529.

Sincerely,

Howard K.F. Lee

Executive Vice President and COO



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LATE

February 9, 2010

The Honorable David Ige, Chair
The Honorable Rosalyn Baker, Chair
Senate Committees on Health and Commerce and Consumer Protection

Re: SB 2529 – Relating to Healthcare Claims
SB 2530 – Relating to Healthcare Claims

Dear Chair Ige, Chair Baker and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 2529 and SB 2530 which are very similar and would create a database consisting of information provided by health plans' claims information. HMSA supports the intent of this measure.

This legislative session has already seen a plethora of measures aimed at gaining more transparency in the health care system. Unfortunately, at this time many of these bills have only targeted a single aspect of the system, such as the ones before you today. We appreciate the intent of these measures as they attempt to work towards providing potentially useful information to consumers.

Despite the fact that health care reform is no longer in the spotlight on the national level, there are many discussions taking place locally aimed at facilitating change in our health care system. One of the cornerstones of that effort is to create more transparency within the entire system; more transparency for providers, facilities and health plans to reengage and empower consumers. These bills represent a step in the right direction and provide some basic building blocks with which to expand on in order to accomplish widespread transparency.

With more transparency, reports could be published, widely accessible to consumers, such as an annual guide to assist consumers in selecting health care providers and health plans. The use of clinical data could be used to empower consumers in choosing their health care based on the quality of that care. Consumers would have more information at their fingertips in clear language to assist them when facing chronic illness or just to find an appropriate primary care physician. The opportunities are endless when all stakeholders can come together to work towards the common goal of improving the health care system.

We understand that this is a big challenge, but believe there is much that can be done to promote transparency, and SB 2529 and SB 2530 just scratch the surface. Health care reform, if it is to be meaningful, needs to accomplish long term gain which usually does not happen without short term pain. Thank you for the opportunity to testify today.

Sincerely,

A handwritten signature in black ink, appearing to read 'JDiesman'.

Jennifer Diesman
Vice President
Government Relations