

STAND. COM. REP. NO. 1209

Honolulu, Hawaii
March 24, 2011

RE: S.B. No. 1274
S.D. 2
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred S.B. No. 1274, S.D. 2, H.D. 1,
entitled:

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

beg leave to report as follows:

The purpose of this bill is to update the Patients' Bill of
Rights and Responsibilities Act to conform to federal law by
establishing uniform standards for external review procedures to
ensure that state-based procedures will not be preempted by
federal regulation.

Kaiser Foundation Health Plan, Inc.; the Department of
Commerce and Consumer Affairs; and Ohana Health Plan supported the
bill. Hawaii Medical Association and numerous individuals opposed
this measure. Faith Action for Community Equity provided
comments.

Your Committees urge the parties to work together to discuss
additional protections as this bill moves forward.

Upon further consideration, your Committees have amended this
measure by:

- (1) Providing that an opinion for an external review may be
requested from more than one clinical reviewer and

SB1274 HD2 HSCR CPC-JUD HMS 2011-3322-A1



1209

providing procedures for the reviewers to make their decision;


- (2) Ensuring that each clinical reviewer reviews all of the information and documents required to be provided by the health carrier and any other information submitted by the enrollee;
- (3) Clarifying the procurement exemption of the independent review organization selection process; and
- (4) Changing the effective date to July 1, 2011.

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. 1274, 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. 1274, S.D. 2, H.D. 2.

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



GILBERT KEITH-AGARAN, Chair



ROBERT N. HERKES, Chair



