

STAND. COM. REP. NO. **536**

Honolulu, Hawaii

MAR 03 2011

RE: S.B. No. 1348
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1348, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH INSURANCE EXCHANGE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a health insurance exchange to, among other things, facilitate the purchase and sale of qualified health plans in compliance with the federal Patient Protection and Affordable Care Act.

This measure also establishes the state health insurance exchange task force within the Department of Commerce and Consumer Affairs to recommend policies and procedures to further define and operate the health insurance exchange.

Your Committee received comments in support of this measure from Gordon Ito, State Insurance Commissioner, Department of Commerce and Consumer Affairs; Jennifer Diesman, Vice President, Government Relations, Hawaii Medical Service Association; George S. Massengale, JD, Director of Government Relations, American Cancer Society; Dan Domizio, PA, MPH, Clinical Programs Director, Puna Community Medical Center; and Lyn Moku, Office Manager, National Multiple Sclerosis.

Your Committee finds that under the federal Patient Protection and Affordable Care Act, the Secretary of Health and Human Services is scheduled to determine the State's ability to

SB1348 SD2 SSCR LRB 11-2239.doc



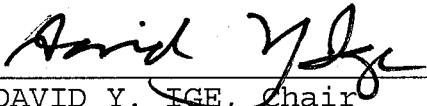
create a health insurance exchange in 2013 and the exchange must be up and running by 2014. If the State has not made sufficient progress in creating its exchange, the State will face the possibility that the United States Department of Health and Human Services will unilaterally establish an exchange for the State, effectively taking over the State's health care system.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050 in order to facilitate continued discussion on the matter; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1348, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1348, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <i>SB1348 SD1</i>	Committee Referral: <i>CRW/HTH, WAM</i>	Date: <i>2/24/11</i>		
<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)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.				✓
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam			✓	
TOTAL	11	0	1	2
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