

SB 678

Measure Title: RELATING TO HEALTH INSURANCE.

Report Title: Mandatory Health Insurance; Required Annual Medical Exam

Description: Beginning 1/1/2012, mandates health insurance coverage for an annual medical examination, including the administration of any required immunizations, for each child who is required by a school in the State to submit a report of a medical examination, including evidence of any required immunizations, to the school.

Companion:

Package: None

Current Referral: CPN, WAM



NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

KEALI'I S. LOPEZ
INTERIM DIRECTOR

EVERETT KANESHIGE
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION

TWENTY-SIXTH LEGISLATURE
Regular Session of 2011

Thursday, February 3, 2011
9 a.m.

TESTIMONY ON SENATE BILL NO. 678 – RELATING TO HEALTH INSURANCE.

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

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department takes no position on this bill, which creates a mandated benefit for an annual medical examination, including immunizations, for school required physician visits for children. Mandated benefits help some people, but impose costs on other people. We believe this trade off is best left to the wisdom of the Legislature.

That said, we suggest that it be made clear that these mandates apply to policies "issued in this State" to clarify the scope of the jurisdiction of the mandate.

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

HMSA



An independent licensee of the Blue Cross and Blue Shield Association

February 3, 2011

The Honorable Rosalyn Baker, Chair
The Honorable Brian T. Taniguchi, Vice Chair

Senate Committee on Commerce and Consumer Protection

Re: SB 678 – Relating to Health Insurance

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 678 which requires health plans provide coverage for a child's school-related medical examination. HMSA believes this Bill is unnecessary because federal mandates under the Affordable Care Act (ACA) assure medical examination coverage for children.

Recognizing the sagacity of the old adage, "an ounce of prevention is worth a pound of cure," a critical element of the ACA is a mandate for preventive care for infants and children, as well as for adults. Pursuant to rules promulgated to implement the ACA, children under the age of 21 are covered not only for their annual physical examination and immunizations; but also for vision and hearing screening; oral health risk assessments; developmental assessments to identify any developmental problems; screenings for hemoglobin level, lead, tuberculin, and other test; and screenings to detect, prevent, and treat problems such as obesity and depression.

While we appreciate and applaud the intent of SB 678, we believe it would be an unnecessary addition to State statute given the breadth of coverage for children under the ACA.

Thank you for the opportunity to testify today.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark K. Oto".

Mark K. Oto
Director
Government Relations



Hawaii Association of Health Plans

February 3, 2011

The Honorable Rosalyn Baker, Chair
The Honorable Brian Taniguchi, Vice Chair
Senate Committee on Commerce and Consumer Protection

Re: SB 678-- Relating to Health Insurance

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans ("HAHP"). HAHP is a non-profit organization consisting of eight (8) member organizations:

AlohaCare	Kaiser Permanente
Hawaii Medical Assurance Association	MDX Hawai'i
HMSA	University Health Alliance
Hawaii-Western Management Group, Inc.	UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to testify on SB 678 which would require a state mandate for health plans to provide coverage for annual medical examinations for children when required by a school in the State. Due to requirements of the federal legislation known as the Affordable Care Act (ACA), we believe that passage of SB 678 is unnecessary at this time and therefore HAHP cannot support its passage.

The ACA requires that health plans provide a wide range of preventive services to members with no co-payments, including the services described in SB 678. These preventive services were guidelines recommended by three federal agencies, the Health Resources and Services Administration (HRSA), the Advisory Committee on Immunization Practices (ACIP) and the U.S. Preventive Services Task Force ("A" and "B" rated screenings.) If a plan was not already providing coverage for a preventive service required under ACA at no co-payment, non-grandfathered plans must add coverage for the service at the latest September 2011. Due to these factors, we believe that SB 678 is unnecessary at this time and would respectfully urge the Committee see fit to hold it.

Thank you for the opportunity to provide testimony.

Sincerely,



Howard Lee
President

Testimony in Support of 2011 SB 678 RELATING TO HEALTH
INSURANCE by Kimberly Case to be heard February 3, 2011 at 9:00 AM,
Room 229, State Capitol 415 S. Beretania Street
COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Good morning. My name is Kimberly Case. I requested the introduction of this Bill by Senator Taniguchi this past summer after my twin son's went to their annual check up at their pediatrician.

As you may or may not know, all school aged children in Hawaii are required to have a completed Health Care Form submitted to school before the first day of instruction in the Fall. These Health Care Forms must be completed and signed by their pediatrician and include such information such as immunizations, height, weight, allergies, etc. As the children get older, a sports authorization is also included and must be also signed by the pediatrician, which then allows boys and girls to participate in inter-league sports. Without these executed forms, children are supposedly not allowed to attend school or participate in school sports.

In addition, these yearly health maintenance exams allow for a pediatrician to follow a child's mental and physical growth, provide immunizations as needed, determine if any health issues have arisen in the last year, and provide referral to a specialist if needed.

Needless to say, I was shocked when my pediatrician billed me for almost \$360.00 for these two exams this last summer. As our family co-pays for HMSA PPO, I contacted HMSA by phone and was told that HMSA does not cover yearly maintenance exams of children between Kindergarten and twelfth grade, even though such exams are mandated by all public and private schools in the State of Hawaii. I was even more dismayed to learn that Quest and Kaiser do cover these yearly exams.

\$360.00 is a lot of money out-of-pocket for my family and destroys our monthly budget. For most middle-class working families who hold and pay or co-pay for private HMSA insurance, I believe we feel that HMSA, in order to cut costs, has wrongly targeted our school aged children. Thank you.