



**TESTIMONY OF MARION M. HIGA, STATE AUDITOR,  
ON SENATE CONCURRENT RESOLUTION NO. 28,  
REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL  
EFFECTS OF REQUIRING HEALTH INSURERS TO PROVIDE COVERAGE FOR  
USE OF THE LIFE BED INTELLIGENT MEDICAL VIGILANCE SYSTEM**

**Senate Committee on Health  
Senate Committee on Commerce and Consumer Protection**

**March 11, 2011**

Chair Green, Chair Baker, and Members of the Committees:

Thank you for this opportunity to note the redundancy posed by Senate Concurrent Resolution No. 28. The purpose of the resolution is to request a study of the social and financial impacts of mandating health insurance coverage for use of the LIFE BED Intelligent Medical Vigilance System as proposed in House Bill No. 854.

The resolution will likely duplicate our work reported in Report No. 08-05, entitled *Study of the Social and Financial Impacts of Mandatory Health Insurance Coverage for Use of Intelligent Medical Vigilance Services in Acute Care Hospitals*, <http://www.state.hi.us/auditor/Reports/2008/08-05.pdf>. Senate Concurrent Resolution No. 28 is identical to S.C.R. No. 209, H.D. 1, C.D. 1, of the 2007 Legislature which we responded to pursuant to Sections 23-51 and 23-52, Hawai'i Revised Statutes (HRS).

In addition, H.B. No. 854 is substantially similar to the 2007 bill we analyzed, S.B. No. 409, S.D. 1. The proposed mandatory insurance coverage called for use of a specific product—the LifeBed Intelligent Medical Vigilance System, developed and patented by Hoana Medical, Inc.

In our 2008 report, we concluded that an assessment was not feasible since the bill referred to a specific, trademarked, commercial product. Section 23-51, HRS does not cover products.

Furthermore, S.C.R. No. 28 is also similar to H.C.R. No. 62, H.D. 1, S.D. 1, of the 2008 legislative session which called for a study of the impacts of medical surveillance systems. We did not undertake such a study because it would have been redundant.

I would be pleased to answer any questions you may have.