

STAND. COM. REP. NO.

525

Honolulu, Hawaii

MAR 03 2011

RE: S.B. No. 1516  
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 Commerce and Consumer Protection, to which was referred S.B. No. 1516, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE ADMINISTRATIVE UNIFORMITY,"

begs leave to report as follows:

The purpose of this measure is to exempt collaboration among all accident and health or sickness insurers, third party administrators, managed care plans, health care providers, and government agencies from state antitrust laws when the collaboration is intended to adopt uniform administrative procedures. The intent of this measure is to allow open and robust collaboration on uniform administrative standards and procedures to help enhance the quality of health care in Hawaii.

Your Committee received testimony in support of this measure from Hawaii Medical Association, Hawaii Medical Service Association, and Healthcare Association of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee heard testimony in support of adding clarifying language to this measure to encourage productive discussion and agreement among health care providers, including advanced practice registered nurses, physicians, and hospital administrators, along with insurers and other interested entities on uniform administrative standards regarding evidence-based



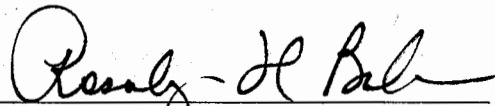
medicine, clinical efficacy, and quality in health claims processing.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that collaborative discussions on methodologies for preferred drug lists should be discussions on methodologies for drug lists for clinical efficacy based on research-based guidelines;
- (2) Specifying that the health care providers who must be provided with advanced notice and an opportunity to participate in the collaborative discussions include advanced practice registered nurses, physicians, and hospital administrators; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1516, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1516, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,

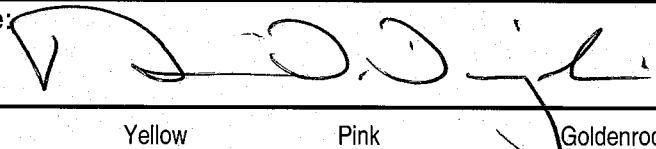


ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1516, SD1	HTH, CPN	3-1-11		
<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
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood	✓			
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.				✓
SOLOMON, Malama	✓			
SLOM, Sam				✓
<b>TOTAL</b>	5	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes