

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 2434
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2434, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to amend Hawaii's health insurance exchange law by:

- (1) Requiring the Hawaii Health Connector to establish and administer one separate program to serve the individual market and one separate program to serve the small group market;
- (2) Establishing a Navigator Program and specifying qualifications and restrictions for navigators;
- (3) Specifying the staggered terms for the Hawaii Health Connector Board of Directors; and
- (4) Clarifying the role of the Department of Human Services in determining Medicaid eligibility.

The Hawaii Health Connector, Hawaii Association of Health Plans, 'Ohana Health Plan, Hawaii Medical Service Association, Kaiser Permanente Hawaii, and a concerned individual testified in



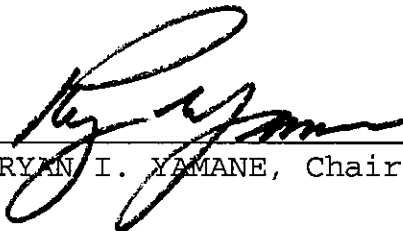
support of this measure. The Hawaii Primary Care Association and a concerned individual opposed this measure. AARP, the American Cancer Society, Americans for Democratic Action/Hawaii, Progressive Democrats of Hawaii, Common Cause Hawaii, Kokua Council, United Self Help, Faith Action for Community Equity, Hawaii Coalition for Health, and several individuals provided comments.

Your Committee has amended this bill by:

- (1) Clarifying the composition of the Hawaii Health Connector Board of Directors to include five consumers, one employer, three insurers, and two providers;
- (2) Specifying that the clarification of the composition of the board is not intended to replace any member prior to the ending of that member's term;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2434, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2434, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Health,




RYAN I. YAMANE, Chair



HSCR 1049-12

State of Hawaii
House of Representatives
The Twenty-sixth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: SB 2434, SD1	Committee Referral: HLT, CPC, FIN	Date: 3/13/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. MORIKAWA, Dee (VC)	✓			
3. BELATTI, Della Au	✓			
4. HANOHANO, Faye P.	✓			
5. JORDAN, Jo	✓			
6. LEE, Chris	✓			
7. MIZUNO, John M.	✓			
8. WOOLEY, Jessica	✓			
9. CHING, Corinne W.L.	✓			
10. PINE, Kymberly Marcos				✓
TOTAL (10)	9			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				