

Honolulu, Hawaii

April 5, 2012

RE: S.B. No. 2434  
S.D. 1  
H.D. 3

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2434, S.D. 1, H.D. 2, 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, among other things:

- (1) Requiring the Hawaii Health Connector to conduct an assessment before establishing a program to serve individual and small group markets;
- (2) Establishing a Navigator Program and specifying qualifications and restrictions for navigators;
- (3) Setting forth provisions regarding public proceedings, notice, and records of Hawaii Health Connector Board open meetings, and provisions regarding proceedings and notice of Hawaii Health Connector Board executive meetings;
- (4) Amending the composition and terms of the Hawaii Health Connector Board; and



- (5) Clarifying the role of the Department of Human Services in determining Medicaid eligibility.

Faith Action for Community Equity, Hawaii Coalition for Health, AARP, Americans for Democratic Action/Hawaii, Hawai'i Primary Care Association, League of Women Voters of Hawaii, American Cancer Society, United Self Help, and several individuals testified in support of this measure. The Executive Director of the Hawaii Health Connector, Hawaii Association of Health Plans, Healthcare Association of Hawaii, Kokua Council, 'Ohana Health Plan, Hawaii Medical Service Association, Kaiser Permanente Hawaii, Consumers for Fairness, and an individual commented on this measure.

Your Committee has amended this measure by:

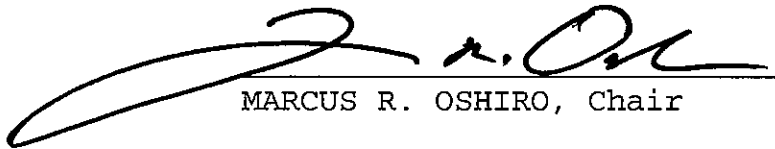
- (1) Allowing the submittal of testimony via the website of the Hawaii Health Connector Board for board open meetings;
- (2) Deleting provisions relating to the executive meetings and emergency meetings of the Hawaii Health Connector Board;
- (3) Requiring the Hawaii Health Connector Board to file an electronic as well as physical copy of its public notices for public inspection;
- (4) Specifying the items required to be on the agenda of a public notice;
- (5) Requiring minutes of the Hawaii Health Connector Board to be made available online within 30 days after a meeting, or 6 days prior to the next meeting, whichever comes first;
- (6) Requiring the Insurance Commissioner to approve qualified Hawaii Health Insurance Exchange plans that are in compliance with transparency requirements;
- (7) Requiring the Hawaii Health Connector to report on the status of the Hawaii Health Insurance Exchange, upcoming federal deadline requirements, and its fulfillment of federal deadline requirements, to the Legislature prior to the convening of each regular session;



- (8) Increasing the membership of the Hawaii Health Connector Board and the number of consumers on the Hawaii Health Connector Board;
- (9) Specifying the number of consumers, employers, insurers, and providers on the Hawaii Health Connector Board;
- (10) Changing its effective date to upon its approval; and
- (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2434, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2434, S.D. 1, H.D. 3.

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



MARCUS R. OSHIRO, Chair



