

STAND. COM. REP. NO. **2431**

Honolulu, Hawaii

MAR 01 2012

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

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Health and Human Services, to which was referred S.B. No. 2434 entitled:

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

beg leave to report as follows:

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

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

Your Committees received testimony in support of this measure from the Hawaii Health Connector, Hawaii Association of Health Plans, Hawaii Medical Service Association, Kaiser Permanente, Ohana Health Plan, The Chamber of Commerce of Hawaii, and two individuals. Your Committees received comments on this measure

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from the Hawaii Primary Care Association, AARP Hawaii, and the American Cancer Society.

Your Committees find that Act 205, Session Laws of Hawaii 2011, established a nonprofit health insurance exchange, known as the Hawaii Health Connector, to create and administer a health insurance exchange in the State in compliance with the federal Patient Protection and Affordable Care Act. Act 205 required the interim Board of Directors of the Hawaii Health Connector to submit a report of its findings and recommendations, including proposed legislation, to the Legislature. The amendments proposed by this measure reflect the interim Board's recommendations.

Your Committees further find that the Hawaii Health Connector will help individuals and small businesses learn about, compare, and purchase insurance. The Hawaii Health Connector will also enable participants to receive federal subsidies to assist with health care and will provide a better opportunity to expand insurance coverage to the uninsured.

Your Committees note that the interim Board of Directors has made tremendous strides to ensure that the Hawaii Health Connector is fully operational by the federally mandated 2014 deadline, but additional work remains. Your Committees also note that a robust discussion of all aspects of the Hawaii Health Connector is expected and encouraged. It is therefore the desire of your Committees for the Board to conduct additional community outreach to ensure a well-rounded discussion.

Your Committees have amended this measure by:

- (1) Clarifying that the Hawaii Health Connector shall establish one separate program to serve the individual market and one separate program to serve the small group market;
- (2) Clarifying that any insurer that offers a qualified plan through the Hawaii Health Connector shall establish a separate risk pool for its qualified plans offered in the individual market and the small group market;
- (3) Specifying that recipients of navigator grants shall comply with all provisions that are otherwise required by federal law;



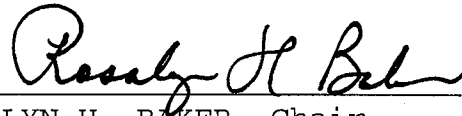
- (4) Establishing a timeline for Hawaii Health Connector Board member nominations and confirmations occurring on or after February 1, 2012, and July 1, 2012, respectively; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2434, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2434, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Health
and Human Services,



JOSH GREEN, M.D., Chair



ROSALYN H. BAKER, Chair

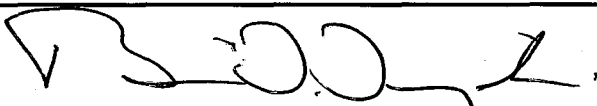


SUZANNE CHUN OAKLAND, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

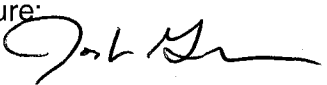
Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2434	CPN/HTH/HMS	2-15-12		
<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				✓
TOTAL	4	0	0	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
 Twenty-Sixth Legislature
 State of Hawai'i


Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2434	CPW/HTH/HMS	2/15/12		
<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
GREEN, M.D., Josh (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
BAKER, Rosalyn H.	✓			
CHUN OAKLAND, Suzanne	✓			
SHIMABUKURO, Maile				✓
WAKAI, Glenn				✓
SLOM, Sam				✓
TOTAL	4	0	0	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 2434	Committee Referral: CPN/HTH/HMS	Date: 2-15-12		
<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
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
SLOM, Sam				✓
TOTAL	3	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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