

From: Danielle Bass on behalf of Rep. Ryan Yamane
Sent: Thursday, February 03, 2011 4:19 PM
To: HLTtestimony
Subject: FW: Opposing HB 1451: Health Care Information Privacy

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From: Site Administrator [mailto:webmaster@hah.org] On Behalf Of Toby Clairmont
Sent: Thursday, February 03, 2011 4:15 PM
To: Rep. Ryan Yamane
Subject: Opposing HB 1451: Health Care Information Privacy

Feb 3, 2011

Representative Ryan Yamane
State Capitol, Room 419
415 South Beretania Street
Honolulu, HI 96813

Dear Representative Yamane,

Thank you for this opportunity to share my thoughts on HB 1451, which creates unreasonable and unnecessary conditions regarding health care information.

The federal Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), also known as HIPAA, provides federal protections for personal health information held by health care organizations and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.

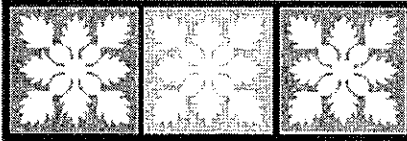
The Security Rule specifies a series of administrative, physical, and technical safeguards for health care organizations to use to assure the confidentiality, integrity, and availability of electronic protected health information.

HB 1451 unnecessarily undercuts many of the provisions of HIPAA and would not result in improvements in the way personal health care information is handled or add assurances of patient privacy. Rather, it would cause confusion for patients, health care providers, and health care insurers.

For the foregoing reasons, I opposes HB 1451.

Sincerely,

Mr. Toby Clairmont
94-566 Holaniku St
Mililani, HI 96789-1732
(808) 864-7723



Hawaii Association of Health Plans

February 4, 2011

The Honorable Ryan Yamane, Chair
The Honorable Dee Morikawa, Vice Chair

House Committee on Health

LATE TESTIMONY

Re: HB 1451 – Relating to Health Care Privacy

Dear Chair Yamane, Vice Chair Morikawa and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of eight (8) member organizations:

AlohaCare	Kaiser Permanente
Hawaii Medical Assurance Association	MDX Hawai‘i
HMSA	University Health Alliance
Hawaii-Western Management Group, Inc.	UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to provide testimony in opposition to HB 1451 which would create additional and unnecessary regulation for health plans regarding privacy issues.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) provides federal protections for personal health information held by covered entities and gives consumers an array of rights with respect to that information. HIPAA regulations have, over the years, strengthened privacy protections and covered new privacy concerns. This federal law and regulations show no sign of diminished attention or emphasis by the Centers for Medicare and Medicaid Services and the Department of Health and Human Services. Health plans have been complying with this strict federal regulation for many years and there is no need to create an administratively burdensome state-based process to duplicate and potentially conflict with HIPAA.

HIPAA applies to covered entities which include health plans, medical professionals and government programs that pay for health care. HIPAA protects all *"individually identifiable health information"* held or transmitted by a covered entity or its business associate, in any form

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HAHP c/o Howard Lee, UHA, 700 Bishop Street, Suite 300 Honolulu 96813
www.hahp.org

or media, whether electronic, paper, or oral. Penalties may be imposed on a covered entity for a failure to comply with a requirement of HIPAA. Penalties vary depending on factors such as the date of the violation, whether the covered entity knew or should have known of the failure to comply, or whether the covered entity's failure to comply was due to willful neglect.

We bring this to the Committee's attention to stress the point that consumers' health care information is already being safeguarded by federal government protections and that having the state create and maintain a duplicative system is unnecessary at this time.

Thank you for the opportunity to offer comments today. We respectfully urge the Committee to see fit to hold this measure today.

Sincerely,



Howard Lee
President

LATE TESTIMONY

LATE TESTIMONY

AMERICAN COUNCIL OF LIFE INSURERS TESTIMONY IN OPPOSITION TO HOUSE BILL 1451, RELATING TO HEALTH CARE PRIVACY

February 4, 2011

Via e mail: hltestimony@capitol.hawaii.gov

Hon. Representative Ryan I. Yamane, Chair
Committee on Health
State House of Representatives
Hawaii State Capitol, Conference Room 329
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Yamane and Committee Members:

Thank you for the opportunity to testify in opposition to House Bill 1451, relating to Health Care Privacy.

Our firm represents the American Council of Life Insurers ("ACLI"), a national trade association, who represents more than three hundred (300) legal reserve life insurer and fraternal benefit society member companies operating in the United States. These member companies account for 90% of the assets and premiums of the United States Life and annuity industry. ACLI member company assets account for 91% of legal reserve company total assets. Two hundred thirty-nine (239) ACLI member companies currently do business in the State of Hawaii; and they represent 93% of the life insurance premiums and 95% of the annuity considerations in this State.

ACLI member companies believe that the confidentiality and security of their customers' personal information, including their medical information, is of utmost importance.

Life, disability income, and long term care insurers have a long history of dealing with highly sensitive personal information, including medical information, in a professional and appropriate manner; and they have implemented stringent safeguards to protect this information.

Individuals have a legitimate interest in the proper collection and use of their individually identifiable medical information; and that insurers must handle such medical information in a confidential manner.

However, ACLI must respectfully strongly oppose H.B. 1451.

ACLI submits that enactment of H.B. 1451 is unnecessary to protect the privacy of Hawaii consumers' health care information, because the objectives of the legislation

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already have been achieved by the federal Privacy and Security Rules promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The HIPAA Privacy Rule and the HIPAA Security Rule already provide very broad confidentiality and security protections for consumers' personally identifiable health information.

The Privacy Rule provides consumers the right to access and amend their health information, requires covered entities to provide privacy notices, and imposes limits on the use and disclosure of consumers' health information – these are the very same issues addressed by H.B. 1451.

In addition, the HIPAA Security Rule requires the development and implementation of standards for administrative, technical and physical safeguards to ensure confidentiality and protect against anticipated threats or hazards to the security of consumers' health information held or transferred in electronic form.

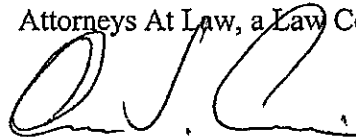
Moreover, the recently enacted Health Information Technology for Economic and Clinical Health (HITECH) Act of the American Recovery and Reinvestment Act of 2009 (the federal stimulus package) increased the protections afforded by the HIPAA Privacy and Security Rules.

For example, the HITECH Act imposes increased and high penalties for violations of the HIPAA Privacy and Security Rules.

Superimposing the requirements of H.B. 1451 on top of existing requirements of the HIPAA Privacy and Security Rules is likely to give rise to confusion without commensurate enhanced privacy protection to Hawaii consumers, and, is unnecessary given the existing broad protections already provided under the HIPAA Rules.

For the foregoing reasons, ACLI respectfully urges this Committee to defer passage of HB 1451.

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