

STAND. COM. REP. NO.

352

Honolulu, Hawaii

FEB 15 2013

RE: S.B. No. 964
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 964
entitled:

"A BILL FOR AN ACT RELATING TO DENTAL SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit dental
service organizations, mutual benefit societies, and health
maintenance organizations from setting or recommending fees for
services provided by a dentist unless they are covered services.

Your Committee received testimony in support of this measure
from thirty-three individuals. Your Committee received testimony
in opposition to this measure from Hawaii Dental Service,
International Longshore and Warehouse Union Local 142, and Hawaii
Medical Services Association. Your Committee received comments on
this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that certain dental service insurance
providers require that participating dentists agree to set fees
for all services, including those not covered by the dental
service plan. Your Committee finds that these requirements limit
the amounts that dentists can charge for non-covered services,
often resulting in dentists refusing to offer necessary services
to patients because any cost above the provider's set fee is not
recoverable by the dentist. Your Committee further finds that
this practice forces patients to seek non-participating dentists
to perform necessary procedures to the financial detriment of
participating dentists. In order to protect dental patients and

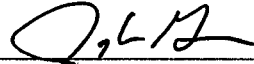


dentists throughout the State, your Committee finds it necessary to prohibit dental service insurance providers from setting fees for dental services not covered by a dental service plan.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

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. 964, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 964, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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



JOSH GREEN, Chair



