

STAND. COM. REP. NO.

834

Honolulu, Hawaii

March 1, 2013

RE: H.B. No. 848  
H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 848, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to update the insurance code  
by:

- (1) Amending the definition of "small business" for consistency with the federal Health Insurance Portability and Accountability Act of 1996 and Patient Protection and Affordable Care Act; and
- (2) Applying the statutory requirements for the licensing of insurance producers to health maintenance organizations and mutual benefit societies, so that those entities can participate in the Hawaii Health Connector established pursuant to the federal Patient Protection and Affordable Care Act.

The Department of Commerce and Consumer Affairs, Hawaii Health Connector, Hawaii Medical Service Association, and Hawaii Primary Care Association testified in support of this measure.



Your Committee notes that in amending this measure, the definition of "small employer" was changed from employers employing no more than one hundred employees to employers employing no more than fifty employees. Your Committee wishes to clarify that the intent of the amendment is to address, within the scope of the Affordable Care Act to be adopted by the states in 2014, the implementation impacts that many of the Affordable Care Act's expanded coverage mandates may have on small businesses.

Your Committee has amended this measure by specifying that the definition of "small employer" applies to employers that employ no more than fifty employees rather than no more than one hundred employees.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 848, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 848, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ANGUS L.K. MCKELVEY, Chair



