

Honolulu, Hawaii
March 21, 2014

RE: S.B. No. 2031
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2031, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure, as received by your Committee, is to improve access to medical supplies and equipment for patients by requiring vendors or suppliers who have been awarded contracts through the Centers for Medicare and Medicaid Services Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program to have a physical presence in the State.

For purposes of a public hearing on this measure, your Committee circulated Proposed S.B. No. 2031, S.D.2, H.D.2, and notified the public that it would be accepting testimony on the Proposed Draft, which establishes a licensure requirement for durable medical equipment suppliers participating in the nationwide competitive bidding program, including an annual inspection by the executive office on aging.



Your Committee received testimony from the following organizations and individuals on S.B. No. 2031, S.D.2, as received by your Committee, and on the Proposed Draft:

The Queen's Health Systems, Hawaii COPD Coalition, Healthcare Association of Hawaii, and an individual testified in support of S.B. No. 2031, S.D.2, as received by your Committee. The Department of Human Services, Hawaii Association of Health Plans, and an individual testified in opposition to S.B. No. 2031, S.D.2, as received by your Committee.

Healthcare Association of Hawaii testified in support of the proposed draft. The Hawaii Medical Service Association testified in opposition to the proposed draft. The Department of the Attorney General provided comments on the proposed draft.

Your Committee considered the merits of both S.B. No. 2031, S.D.2, as received by your Committee and the proposed draft, and upon careful consideration, adopted the proposed draft.

Your Committee finds that this measure may merit further discussion. Accordingly, your Committee has amended this measure by changing the effective date to July 1, 2112.

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 S.B. No. 2031, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2031, S.D. 2, H.D. 2.

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



ANGUS L.K. MCKELVEY, Chair



