

Honolulu, Hawaii
February 4, 2016

RE: H.B. No. 1673
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1673
entitled:

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

begs leave to report as follows:

The purpose of this measure is to help patients in the State
obtain access to critical, life-sustaining medical supplies by
establishing the Durable Medical Equipment Supplier License
Program to license durable medical equipment suppliers that sell,
dispense, deliver, or service durable medical equipment to
consumers in the State.

The Hawaii Health Systems Corporation, Healthcare Association
of Hawaii, Hawaii COPD Coalition, Hawaii Primary Care Association,
and an individual supported this measure. The Department of
Health, Board of Pharmacy, and Hawaii Medical Service Association
commented on this measure.

Your Committee notes the testimony of the Department of
Health that the cost to implement and manage the Durable Medical
Equipment Supplier License Program would exceed by twofold the
revenue estimated to be collected if licensing fees are
established within the maximum fee amount proposed by this
measure.



Upon consideration, your Committee has amended this measure by:

- (1) Increasing the license fee assessed on each durable medical equipment supplier from no more than \$150 to no more than \$300;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, style, and consistency.

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 H.B. No. 1673, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1673, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

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DELLA AU BELATTI, Chair



