

STAND. COM. REP. NO.

1205

Honolulu, Hawaii

March 21, 2015

RE: S.B. No. 1217  
S.D. 1  
H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1217, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to prohibit health insurers, mutual benefit societies, and health maintenance organizations from discriminating against licensed naturopathic physicians and to ensure that licensed naturopathic physicians are compensated in a similar manner as other licensed health care providers.

The Hawaii Society of Naturopathic Physicians, Autism Speaks, and numerous individuals testified in support of this measure. Kaiser Permanente and the Hawaii Association of Health Plans testified in opposition to this measure. The Department of Commerce and Consumer Affairs and Hawaii Medical Service Association provided comments on this measure.

Section 2706 of the Federal Public Health Service Act, as added by section 1201 of the Federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), and codified as 42 U.S.C. section 300gg-5, prohibits a group health plan and health insurance issuer offering group or individual health insurance coverage from discriminating with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider's license

SB1217 HD2 HSCR CPC HMS 2015-2950



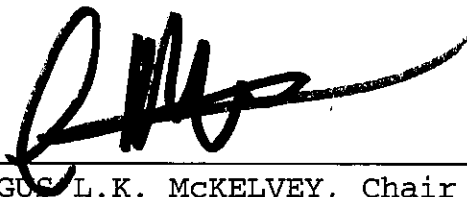
or certification under applicable state law. While section 2706 does not address discrimination against any particular type of health care provider, this measure, as received by your Committee, specifically protects licensed naturopathic physicians.

As originally introduced as S.B. No. 1217, the original version of this measure better aligns with the purpose of section 2706 by prohibiting health insurers, mutual benefit societies, and health maintenance organizations from discriminating against any health care provider acting within the scope of that provider's license or certification.

After careful consideration, your Committee has amended this measure by deleting its substance and inserting the original version of S.B. No. 1217 to align Hawaii law with the requirements of section 2706, thereby preserving patient choice in providers and enhancing consumer access to covered benefits under the Affordable Care Act. In addition, your Committee has amended this measure by correcting a typographical error and changing its effective date to July 1, 2112, to encourage further discussion.

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. 1217, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as S.B. No. 1217, S.D. 1, H.D. 2.

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



ANGUS L.K. MCKELVEY, Chair



