

STAND. COM. REP. NO. 728

Honolulu, Hawaii

MAR 06 2015

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

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 1217, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require health insurers to provide coverage for medically necessary health care services covered by a health insurance policy when provided by licensed naturopathic physicians acting within their scope of practice;
- (2) Specify that health care services provided by naturopathic physicians may be subject to certain limitations;
- (3) Specify that limitations shall not direct treatment in a manner that unfairly discriminates against the practice of naturopathic medicine; and
- (4) Permit insurers to require naturopathic physician services to be provided by a naturopathic physician under contract or covered consistently with out-of-network provider reimbursement practices.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in

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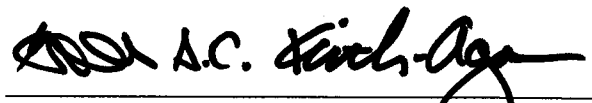
opposition to this measure from Kaiser Permanente Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Services Association.

Your Committee finds that health plans and insurance companies in the State have limited the types of health care providers permitted to provide services to their members by excluding certain non-medical doctor licensed providers. In particular, naturopathic physicians are often excluded from insurance contracts in Hawaii, which forces patients who choose a naturopathic physician as their primary care provider to pay out of pocket for their primary care needs.

Your Committee further finds that discrimination against any provider group, as a whole, is harmful to patients and restricts their ability to select the provider of their choice. The ability for patients to choose the licensed provider of their choice is integral to the intended full implementation of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). This measure provides clarity that naturopathic physicians must be compensated appropriately, similar to other licensed providers and without discrimination, per the requirements of section 2706 of the Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1217, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,




GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 1217 SDI	Committee Referral: CPN, JDL	Date: 2/27/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike				✓
IHARA, Jr., Les				✓
THIELEN, Laura H.	✓			
SLOM, Sam				✓
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes