

Honolulu, Hawaii

March 24, 2016

RE: S.B. No. 2667  
S.D. 1  
H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2667, 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 promote the timely payment of claims made by health insurers to health care providers. Specifically, this measure:

- (1) Requires health insurers to treat claims for payment that are in all aspects correctly filed and priced, otherwise known as clean claims, in the same manner as uncontested claims for purposes of payment timeframes; and
- (2) Repeals the exemption of Medicaid claims from the definition of clean claims.

Hawaii Pacific Health, Healthcare Association of Hawaii, and The Queen's Health Systems testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support of the intent of this measure. The Department of Human Services, Hawaii Medical Service Association, and Ohana Health Plan provided comments on this measure.

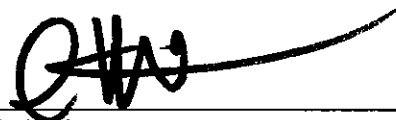
Your Committee has amended this measure by:



- (1) Enabling a claim for services through a self-insured employer group to be recognized as a clean claim; and
- (2) Changing the effective date to July 1, 2016.

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. 2667, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 2667, S.D. 1, 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



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HSCR 1309-16

**Record of Votes of the Committee on Consumer Protection & Commerce**

<b>Bill/Resolution No.:</b> SB 2667 SD1 HD1	<b>Committee Referral:</b> HLT, CPC, FIN	<b>Date:</b> 3-23-16.		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. WOODSON, Justin H. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CREAGAN, Richard P.	/			
6. HAR, Sharon E.	/			
7. HASHEM, Mark J.	/			
8. KAWAKAMI, Derek S.K.				/
9. LEE, Chris	/			
10. NAKASHIMA, Mark M.	/			
11. OSHIRO, Marcus R.				/
12. SAN BUENAVENTURA, Joy A.	/			
13. TAKAYAMA, Gregg	/			
14. YAMANE, Ryan I.	/			
15. FUKUMOTO CHANG, Beth	/			
16. McDERMOTT, Bob	/			
<b>TOTAL (16)</b>	14.	0	0	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> _____				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				