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TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TWENTY-EIGHTH LEGISLATURE  
Regular Session of 2016

Monday, January 25, 2016  
2:00 p.m.

**TESTIMONY ON HOUSE BILL NO. 726, H.D.1, Proposed H.D. 2 – RELATING TO THE HAWAII HEALTH CONNECTOR.**

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department submits the following comments:

The purpose of this bill is to repeal chapter 435H (“Hawaii Health Insurance Exchange”), Hawaii Revised Statutes (“HRS”), and conform and amend subsection (d) of section 432F-2, HRS, to delete reference to chapter 435H, HRS.

With the proposed repeal of section 432H-11, HRS, (network adequacy) and the evolving network adequacy requirements as they apply to Affordable Care Act (“ACA”) qualified health plan qualifications, we request that subsection (d) of Section 432F-2 be amended to read as follows:

“(d) To enable the commissioner to determine the network adequacy for qualified health plans to be listed [~~with the Hawaii health connector under section 435H-11,~~] on the ACA marketplace, the commissioner may request that a managed care plan demonstrate the adequacy of its provider network at the time that it files its health plan benefit document with the commissioner.”

**House Bill No. 726, H.D. 1, Proposed H.D. 2**  
**DCCA Testimony of Gordon Ito**  
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Amending subsection (d) of section 432F-2, HRS, may be required to ensure that Hawaii retains its ability to determine network adequacy for ACA plans sold on the marketplace.

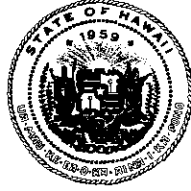
We thank this Committee for the opportunity to present testimony on this matter.

**LATE**

**LATE**

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**LATE TESTIMONY**

LINDA CHU TAKAYAMA  
DIRECTOR

LEONARD HOSHIO  
DEPUTY DIRECTOR

**LATE TESTIMONY**

January 22, 2016

To: The Honorable Angus L.K. McKelvey, Chair,  
The Honorable Justin H. Woodson, Vice Chair, and  
Members of the House Committee on Consumer Protection & Commerce

Date: Monday, January 25, 2015

Time: 2:00 p.m.

Place: Conference Room 325, State Capitol

From: Linda Chu Takayama, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. No. 726 Proposed HD2 Relating to the Hawaii Health Connector**

H.B. 726 Proposed HD2 section two deletes the Hawaii Health Connector Law, Chapter 435H, Hawaii Revised Statutes (HRS), amongst other provisions.

DLIR supports this housekeeping provision in section two and is eager to work with the respective subject matter committees to ensure that the decommissioning of the Hawaii Health Connector is in conformance to Federal and State law.



**LATE**

**LATE**

Chamber of Commerce Hawaii

The Voice of

Testimony to the House Committee on Consumer Protection & Commerce  
Monday, January 25, 2016 at 2:00 P.M.  
Conference Room 325, State Capitol

**LATE TESTIMONY**  
**LATE TESTIMONY**

**RE: HOUSE BILL 726 PROPOSED HD2 RELATING TO HAWAII HEALTH CONNECTOR**

Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 726 PROPOSED HD2, which repeals the Hawaii Health Connector.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

While the Hawaii Health Connector succeeded by insuring many Hawaii residents, it did not work well with Hawaii's unique business healthcare market. Also, individuals may still access healthcare coverage through the federally-supported state-based exchange. We support the repeal as we are concerned with the operational costs of the Connector.

Thank you for the opportunity to testify.