

STAND. COM. REP. NO. 501

Honolulu, Hawaii

FEB 17 2017

RE: S.B. No. 1076
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Judiciary and Labor, to which was referred S.B. No. 1076 entitled:

"A BILL FOR AN ACT RELATING TO AIR AMBULANCE SERVICES,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require all healthcare facilities, when transferring a patient to another healthcare facility via air ambulance for receiving continuing or higher level care, to first request transport services from an air ambulance that is contracted with the patient's health carrier;
- (2) Require notification if a non-contracted air ambulance service is utilized;
- (3) Establish exceptions to ensure patient safety; and
- (4) Establish a procedure for dispute resolution.

Your Committees received testimony in support of this measure from Kaiser Permanente and two individuals. Your Committees received testimony in opposition to this measure from the Department of Health, Kona Community Hospital, and Hawaii Life Flight Corporation. Your Committees received comments on this measure from the Hawaii Medical Association, Hawai'i Pacific Health, Healthcare Association of Hawaii, Hawaii College of

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Emergency Physicians, The Queen's Health Systems, Castle Medical Center, and Hawaii Medical Service Association.

Your Committees find that healthcare needs sometimes require that a patient be transferred to another healthcare facility in order to receive continuing care or a higher level of care, and that because of Hawaii's unique geography, transfer to another facility in Hawaii often requires air ambulance services. Your Committees find that these air ambulance transfers require specialized equipment and technology and can be very costly.

Your Committees further find that when a patient is transported using an air ambulance service that does not contract with the covered patient's health insurance carrier, the health carrier determines an appropriate payment for the air ambulance provider, and the patient is expected to cover the difference between what the provider charged and what the health carrier pays. This process places the patient between the health carrier and the non-contracted air ambulance service when the non-contracted air ambulance service bills the patient for the difference. Your Committees find that this balance billing practice causes a significant financial burden on patients.

Your Committees recognize the complexity involved with the issue of balance billing, and appreciate the demonstrated collaboration on this issue by stakeholders in the community.

Your Committees have considered the testimony submitted and amended this measure by:

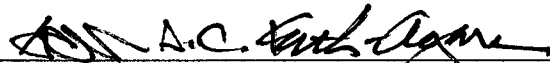
- (1) Inserting the new chapter related to transfers utilizing air ambulance services providers into Title 24, Hawaii Revised Statutes, related to insurance, instead of creating a new part within chapter 321, Hawaii Revised Statutes;
- (2) Deleting the definition of "notification";
- (3) Deleting the requirement that notice provided to the health carrier by the transferring facility of use of a non-contracted air ambulance service be prior to commencing the transfer;
- (4) Deleting provisions related to the dispute resolution process; and



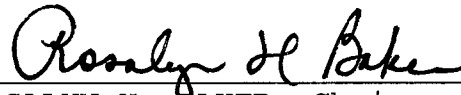
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1076, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1076, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Commerce,
Consumer Protection, and Health
and Judiciary and Labor,



GILBERT S.C. KEITH-AGARAN, Chair




ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i


Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
SBI076	CPH/JDL, WAM	2/10/17		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
KIDANI, Michelle N.				/
RUDERMAN, Russell E.	/			
TOTAL	5			2
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

The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 1076	Committee Referral: CPH/JDL, WAM	Date: 2/10/17		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado	✓			
THIELEN, Laura H.	✓			
TOTAL	4	0	0	1
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				

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