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LT. GOVERNOR

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CATHERINE P. AWAKUNI COLÓN
DIRECTOR
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DEPUTY DIRECTOR

TO THE HOUSE COMMITTEES ON
CONSUMER PROTECTION AND COMMERCE
AND
HEALTH

TWENTY-NINTH LEGISLATURE
Regular Session of 2017

Wednesday, February 8, 2017
2:00 p.m.

TESTIMONY ON HOUSE BILL NO. 235 – RELATING TO HEALTH.

TO THE HONORABLE ANGUS L.K. McKELVEY and THE HONORABLE DELLA AU BELATTI, CHAIRS, AND MEMBERS OF THE COMMITTEES:

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

A companion to S.B. 399, this bill would increase to \$105.70 the current \$75 per acupuncture treatment reimbursable under Personal Injury Protection (“PIP”) benefits and thereafter annually adjust the rate based on the Medicare economic index.

According to section 431:10C-103.6, Hawaii Revised Statutes (“HRS”), the \$75 rate of compensation per acupuncture treatment is the same as that for chiropractic and naturopathic treatments, and the combined total of the three types of treatment is capped at thirty visits. These “precise charges and utilization rates shall be as those contained in the workers’ compensation schedules provided under section 431:10C-308.5.” See § 431:10C-308.5(a), HRS.

An increase in PIP payments to one member of this trio of health care providers would likely lead to across-the-board increases to all, and thus increase costs to all

House Bill No. 235
DCCA Testimony of Gordon Ito
Page 2

policyholders. Presently, each policyholder may purchase optional additional coverage to add nonmedical remedial care, or to increase the number of acupuncture or chiropractic or naturopathic treatments. See § 431:10C-302(a)(10) and (11), HRS.

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



February 6, 2017

RE: SUPPORT FOR HB235

RELATING TO HEALTH. Increases the authorized benefit for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance

Dear Chair McKelvey and Committee Members,

I am in strong support of HB235. I have been in private practice in Kailua for 28 years and I was chair of the Hawaii Acupuncture Association's legislative committee during the years of No-Fault reform. I am very aware that the intention of Act 251 was to relieve the insurance premium increases as well as curb inappropriate billing by a few bad apples. As a Hawaii citizen, I have benefited by stable rates and manageable auto insurance rate increases over the years.

However, the net effect of Act 251 was an **unprecedented discriminatory bill that froze the reimbursement rates for licensed acupuncturists for 20 years**. Locking the rate has not allowed reimbursements to keep up with even basic inflation, let alone the actual increased costs of providing the care.

The entry level educational requirement to obtain an acupuncture license in Hawaii is a Master's Degree. Many practitioners have gone on to obtain doctorates. **Compare our six years Masters to the 570 hours for massage therapists. Yet under the existing law, massage therapists are paid nearly twice per hour what acupuncturists are paid.**

Our cost of administering acupuncture is also higher than that of other providers given our cost of needle purchase and proper needle disposal as well as maintaining the sterile conditions in which we treat. We also must properly manage biohazard waste.

The high cost of doing business in Hawaii is no surprise to anyone. In the twenty-eight years I have been in practice in Kailua, my clinic rent for the same space has nearly tripled. The cost of the health insurance I pay my staff has gone from \$50 per month to \$350 month. My cost of needle disposal has gone from free to \$150 per month. Overall, my cost to see a patient, before any profit, has more than doubled. Yet my reimbursement to treat a no-fault patient has not changed.

I recommend removing the cap and replacing it with the following fee schedule:

97810 (Acupuncture Initial 15 mins) =\$53.27

97811 (Acupuncture additional 15 mins) =\$35.31

97813 (Acup with Electrical Stimulation Initial 15 mins) =\$57.20

97814 (Acup with Electrical Stimulation Additional 15 mins) =\$39.55

These are the codes and pricing recommended *by the DLIR** on October 2016 for proposed changes to the Worker's Compensation Medical Fee Schedule for Acupuncture. While the DLIR has not

yet incorporated this pricing, this is their recommendation. This is also consistent with the coding and similar pricing used federally by the Veterans Administration. For a typical one-hour treatment this equates to \$159.20 without electrical stimulation and \$171.60 with electrical stimulation.

I also recommend the law include an annual fee schedule increase of 1.9% which is the 20-year average of the Medicare Economic Index that is used to adjust the Medicare fee schedule so that we do not have to revisit this again years down the road.

Sincerely,

Dr. Joni Kroll, D.Ac.
Co-Founder AcuPlan Hawaii
Past President HOMAA
Legislative Liason HOMAA

Kailua Acupuncture Clinic
320 Uluniu Street, Suite 2
Kailua, Hi 96734
808-262-4550
acujoni@yahoo.com
www.kailuaacupuncture.com

***Page 25 of Workers Compensation Proposed changes to Fee Schedule**
<http://labor.hawaii.gov/dcd/main/2016publichearing/>

Table 6 of <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SustainableGRatesConFact/downloads/sgr2015p.pdf>

MEI For 2017
<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9829.pdf>

TESTIMONY OF MICHAEL TANOUE

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Representative Angus L.K. McKelvey, Chair

Representative Linda Ichiyama, Vice Chair

COMMITTEE ON HEALTH

Representative Della Au Belatti, Chair

Representative Bertrand Kobayashi, Vice Chair

Wednesday, February 8, 2017

2:00 p.m.

HB 235

Chair Baker, Vice Chair Nishihara, and members of the Committee on Commerce, Consumer Protection and Health, my name is Michael Tanoue, counsel for the Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council **opposes** this bill that increases the reimbursement rate for acupuncture treatment by 41% from \$75 to \$105.70. In addition, the bill contains an automatic increase tied to the medicare economic index.

These cost increases would affect underlying costs in motor vehicle insurance in the following coverage areas: PIP, Bodily Injury liability, UM and UIM. These costs will eventually be reflected in motor vehicle insurance rates. We believe one of the primary reasons Hawaii's uninsured motorist population has steadily decreased over the last two decades is that the cost of insurance has decreased and stabilized.

For these reasons, we ask that you hold this bill. Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 1:15 PM
To: CPCtestimony
Cc: christine@iaoacupuncture.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
christine asuncion	Iao Acupuncture & Spa, LLC	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. I have been operating my acupuncture & Oriental medicine office on Maui since 2003. Operating a small business, while it has its rewards, also comes with many challenges, one in particular is financial. It is us small businesses that are also big contributors to the state & our local community and I strongly feel helping us get the proper pay to continue in giving back to our community as well as making our ends meet and trying to sustain a family on this island is the very least that could be given to us. I believe It has been 20 years since the cap has been adjusted for no-fault auto insurance claims. Since then I have witnessed wages being upwardly adjusted for other known medical services except acupuncture. I strongly urge you to consider passing in favor of House Bill 235 as I look forward to continue to offer my health services to my community in the state of Hawaii. I graciously appreciate your consideration in advance and look forward to your support in helping pass HB 235. In good health. Christine Asuncion, LAc

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



Maire Cahoon, L.Ac.
1145 Bishop Street
Honolulu, Hawaii 96813
Phone: (808) 216-3333
Email: malahealingarts8@gmail.com

February 6, 2017

RE: SUPPORT FOR HB235, RELATING TO HEALTH.

Increases the authorized benefit for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance

Dear Chair McKelvey, Chair Belatti and Committee Members,

I am writing you in strong support of HB 235. I am a newly licensed practitioner of Chinese Medicine and have recently opened up my first business as an acupuncturist in August of 2016.

It has come to my attention that Act 251 is a bill that has frozen the reimbursement rates for licensed acupuncturists for 20 years. Continuing this bill is not realistic for practitioners because locking the rate has not allowed reimbursements to keep up with basic inflation, let alone the actual increased costs of providing the care.

The educational requirement to obtain an acupuncture license in Hawaii is a Master's Degree, which takes between 4 to 6 years. In comparison, only 570 hours are required by massage therapists to obtain licensure. This does not justify that under the existing law, massage therapists are paid nearly twice per hour what acupuncturists are paid.

The costs of administering acupuncture are also higher than that of other providers. Costs include, and are not limited to, purchasing of needles, proper needle disposal and maintaining the sterile conditions in which we treat. We must also properly manage biohazard waste.

I recommend removing the cap and replacing it with the following fee schedule:
97810 (Acupuncture Initial 15 mins) = \$53.27

97811 (Acupuncture additional 15 mins) =\$35.31

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These are the codes and pricing recommended by the DLIR* on October 2016 for proposed changes to the Worker's Compensation Medical Fee Schedule for Acupuncture. While the DLIR has not yet incorporated this pricing, this is their recommendation. This is also consistent with the coding and similar pricing used federally by the Veterans Administration. For a typical one-hour treatment this equates to \$159.20 without electrical stimulation and \$171.60 with electrical stimulation.

I also recommend the law include an annual fee schedule increase of 1.9% which is the 20-year average of the Medicare Economic Index that is used to adjust the Medicare fee schedule so that we do not have to revisit this again years down the road.

Sincerely,

Maire Cahoon, L.Ac.

MEDICARE FEE SCHEDULE INCREASES 1997-2017*			
Year	\$ Cap	Medicare Economic Index Change	\$ Increase
1997	75.00	2.0%	\$ 1.50
1998	76.50	2.2%	\$ 1.68
1999	78.18	2.3%	\$ 1.80
2000	79.98	2.4%	\$ 1.92
2001	81.90	2.1%	\$ 1.72
2002	83.62	2.6%	\$ 2.17
2003	85.79	3.0%	\$ 2.57
2004	88.37	2.9%	\$ 2.56
2005	90.93	3.1%	\$ 2.82
2006	93.75	2.8%	\$ 2.63
2007	96.38	2.1%	\$ 2.02
2008	98.40	1.8%	\$ 1.77
2009	100.17	1.6%	\$ 1.60
2010	101.77	1.2%	\$ 1.22
2011	102.99	0.4%	\$ 0.41
2012	103.41	0.6%	\$ 0.62
2013	104.03	0.8%	\$ 0.83
2014	104.86	0.8%	\$ 0.84
2015	105.70	1.2%	\$ 1.27
2016	106.97	1.2%	\$ 1.28
2017	108.25		

Table 6 of <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SustainableGRatesConFact/downloads/sgr2015p.pdf>

MEI For 2017

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9829.pdf>

Workers Compensation Proposed changes to Fee Schedule

<http://labor.hawaii.gov/dcd/main/2016publichearing/>

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 3, 2017 4:43 PM
To: CPCtestimony
Cc: justin_hays@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/3/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Justin Hays	Maui Acupuncture	Support	No

Comments: I am writing this to support House Bill 235. As an acupuncturist it has come to our attention that the bill must have a joint hearing with both your committee and the CPC committee. In support of this bill I would ask you to move this bill to joint hearing with all urgency. I am owner of Maui Acupuncture in Lahaina, Maui. Maui Acupuncture has provided quality care to west Maui for more than 20 years. Because of the pitifully low reimbursement rates for no fault and Workers comp I do not accept either. People who need acupuncture will need to find an acupuncturist other than myself, one that is desperate and needy (or else just feeling charitable) to accept their NF / WC claim. Current reimbursement rates are about 50% LOWER than my CASH RATE (normally insurance should pay higher than cash rate). WC // NF curently pays just \$75 but the actual average received per visit is in fact much lower for two reasons. Firstly approximately 1 in 5 claims are rejected. Secondly GE tax is not reimbursed. So if you deduct sales tax, and multiple by 80% then you come up with the real rate of pay for WC and NF auto which is approximately \$57.30. No thank you I will not accept this rate of pay for my services. Especially considering the time I will spend on the phone with adjusters, filling, and mailing additional paperwork that these cases require. Please find another acupuncturist - if you can. Please update the WC and NF auto reimbursement rates by doing all that is necessary to approve House Bill 235 with all urgency.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 9:02 PM
To: CPCtestimony
Cc: molokaiwellness@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Michele Jones	Molokai Acupuncture & Massage	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely Michele Holley Jones, L.Ac.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE
and
HOUSE COMMITTEE ON
HEALTH**

February 8, 2017

House Bill 235 Relating to Health

Chair McKelvey, Chair Belatti, Vice Chair Ichiyama, Vice Chair Kobayashi, and Committee Members, I am Rick Tsujimura, representing State Farm Mutual Automobile Insurance Company (State Farm).

State Farm offers these comments about House Bill 235 Relating to Health, and more specifically, acupuncture treatments permitted under motor vehicle insurance, personal injury protection (PIP) coverage. Current law limits the total visits for these treatments to thirty, and the cost to \$75 per visit; this bill would increase this to \$105.70 per visit, and increase them in December each year by the percentage of increase, if any, of the Medicare economic index.

The original 1997 PIP statute was passed to contain automobile insurance costs. Because it recognized a need to prevent non-medical treatments from consuming the \$10,000 PIP limits, the legislature separated chiropractic from other treatments by capping fees for individual visits and limiting the total number. This way, no more than \$2,250 would be paid for chiropractic care, leaving the remaining limits for necessary medical treatment.

In 1998, this section was amended to include acupuncture within the cap, and in 2004, naturopathy was added. The treatment limit for all of these practitioners is \$75 per visit. The legislature's clear intent was to limit all chiropractic, naturopathic, and acupuncture treatments, plus chiropractic x-rays (five at \$50 each), to \$2,500 maximum. This does two things: preserves the rest of the \$10,000 PIP limit for necessary medical treatment, and contains PIP coverage costs. Increasing the per treatment limit to \$105.70 will increase the amount paid on individual claims, and drive up the cost of auto insurance, which has been remarkably stable in Hawaii compared to other states¹. It will exhaust the \$10,000 PIP limit faster, reducing the amount available for other care. In addition, there is no reason for acupuncture treatments to be paid at a code different than chiropractic or naturopathic treatments; if this bill is passed we will surely see efforts to increase chiropractic and naturopathic treatments as well, compounding the impact on claims costs and insurance rates. The current limit does not prevent patients from acquiring the treatment they need.

We also wish to point out that the current bill title may be defective. The bill is entitled health and not insurance, specifically auto insurance. We believe that this defect to the title and the underlying substance requires that the measure be held.

Thank you for the opportunity to present this testimony.

¹ See, <http://www.iii.org/fact-statistic/auto-insurance>. This links to the Insurance Information Institute website, and a page analyzing the cost of insuring a car. Particularly relevant is a chart entitled "Average Expenditures For Auto Insurance By State, 2009-2013." From 2009 -2013, Hawaii had the most stable insurance rates in the country, with a net decrease of -6.0%, or \$47.07 per year, compared to increases in nearly all other states. The national average increase during that time period is 6.9%. Source: © 2016 National Association of Insurance Commissioners (NAIC).



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company



TIMOTHY M. DAYTON, CPCU, GENERAL MANAGER

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■ Honolulu, HI 96813-5238

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Direct: (808) 593-1875

■ FAX (808) 593-1876

■ Cell: (808) 341-9252

House Committee on Consumer Protection and Commerce

House Committee on Health

Conference Room 329, State Capitol

Wednesday, February 8 2017, 2:00 p.m.

HB 235 – Relating to Health

Chair McKelvy, Vice-Chair Ichiyama, Chair Au Belatti, Vice Chair

Kobayashi and Members of the Committees:

My name is Tim Dayton, and I am General Manager for GEICO, Hawaii's largest insurer of motor vehicles. **GEICO opposes HB 235** which increases the authorized benefit for acupuncture treatments allowed under Personal Injury Protection Coverage (PIP). GEICO would be supportive of the higher reimbursement under the optional Alternative Care and Treatment Coverage which is a mandated offer but optional for customers.

HB 235 as drafted is inaccurate. In 1997, benefits for acupuncture were eliminated under PIP as a cost saving measure for mandatory motor vehicle insurance; acupuncture was included in a new optional coverage along with Faith Healing and Naturopathy. A year later, acupuncture was added back into coverage under PIP and grouped under the maximum number of treatments and maximum amount reimbursable that had been implemented for chiropractic. The Conference

Committee Report (#117 dated May 1, 1998) noted that the Hawaii State Actuary has stated that the inclusion of acupuncture will not increase the cost of basic PIP because of it being included with chiropractic. HB 235 now proposes to increase the amount of reimbursement per treatment for acupuncture treatments under PIP. There is no shortage of acupuncture providers available and willing to treat for the reimbursement currently available under PIP. This Legislation is not needed.

Almost all acupuncture treatment is for soft tissue injury. Acupuncture is one of the so called whiplash treatments that legislative measures in 1992, 1993, 1997, and 1998 sought to rein in in order to make auto insurance affordable for Hawaii drivers. These efforts were largely successful. A change of the proposed magnitude would also necessitate revisiting the \$5,000 threshold that defines a serious injury and permits soft tissue injuries to make a tort recovery. The low price of gas and low unemployment has led to more driving both nationally and in Hawaii, and claim volumes are rising. An unnecessary increase in claims costs will accentuate increases to the cost of auto insurance in Hawaii.

GEICO believes that the vast majority of our 155,000 policyholders would prefer not to have the cost of their auto insurance increased in order to allow for higher reimbursement levels, and **we respectfully request that HB 235 be held.**

Thank you for the opportunity to submit this testimony.



Timothy M. Dayton, CPCU

CONFERENCE COMMITTEE REPORT NO. 117

Honolulu, Hawaii

May 1, 1998

RE: H.B. No. 2823
H.D. 1
S.D. 1
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Nineteenth State Legislature
Regular Session of 1998
State of Hawaii

Honorable Norman Mizuguchi
President of the Senate
Nineteenth State Legislature
Regular Session of 1998
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2823, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to continue the reforms enacted in Act 251, Session Laws of Hawaii 1997. In the years prior to passage of Act 251, Hawaii's consumers paid the highest auto insurance premiums in the nation in some years and the second highest in other years. Since the passage of Act 251, Hawaii's consumers have already realized significant savings. Preliminary data indicates that this favorable downward trend will continue.

Your Committee was committed to continuing the trend of decreasing automobile insurance rates for our driving public, and to that end, has focused on clarifying existing provisions and

making technical corrections to Act 251. Amendments to strengthen the provisions of Act 251 and effectuate its purpose of creating a fair and equitable system that delivers maximum benefits with the greatest efficiency and lowest cost are included. In summary, H.B. No. 2823, H.D. 1., S.D. 1, C.D. 1 contains the following amendments:

- (1) Optional binding arbitration is provided as an alternative to traditional litigation. Use of binding arbitration should result in significant savings by reducing, if not eliminating, most lawsuits relating to automobile accidents.

Binding arbitration has long been used by insurers for Underinsured Motorist ("UIM") and Uninsured Motorist ("UM") claims and has proven to be efficient and cost effective. Your Committee would like to emphasize that this is not intended to replace the Court Annexed Arbitration Program ("CAAP") arbitration, but is to be a purely optional alternative.

- (2) Physical therapy and therapeutic massage are restricted and available only by prescription from a medical doctor to further reduce costs. It is intended that the addition of a medical doctor as a gatekeeper for these ancillary medical services will serve to prevent abuses and excessive treatment.
- (3) The number and cost of x-rays taken in connection with chiropractic treatment are limited to continue cost containment measures previously enacted regarding the utilization and cost of chiropractic treatment.
- (4) The amnesty period for uninsured drivers is corrected to give these drivers an opportunity to take advantage of lower insurance rates and purchase insurance to comply with the law.
- (5) The Insurance Division's rulemaking process is streamlined. The present rulemaking process is ineffective and unacceptable. It is not uncommon for the preliminary rule drafting procedure to consume two to four years before draft rules can be circulated for public comment prior to public hearing. If there are changes to these proposed rules, the entire drafting process repeats itself taking another two to four years. As a result, the public comment and hearing process is often a sham, since even the most meritorious suggestions and concerns are often ignored because

making changes would delay adoption of the final rules by several more years.

Government cannot regulate insurance effectively when it cannot timely address critical needs in fulfilling its regulatory functions. Insurance companies cannot efficiently function in underwriting, rate making, investing, and claims handling when it cannot rely on timely rulemaking to ascertain the rules under which they must conduct their business. Consumers cannot be protected when the regulator is unable to discharge its regulatory functions in a timely manner. New insurers will not be attracted to do business in Hawaii, provide our consumers with additional choices, and stimulate competition that could result in lower premiums. Existing insurers may not remain in Hawaii when they could take their business to more business friendly environments elsewhere.

The Insurance Commissioner and Executive Branch are urged to implement streamlined procedures permitted under this measure and to take advantage of the legal staff provided to the Insurance Division to promulgate rules in a more efficient and business-like manner.

- (6) The bill clarifies that drivers using non-owned vehicles, with a reasonable belief that the person has permission to use the vehicle, will not be in violation of the mandatory insurance requirement and will retain coverage in the event of an accident.
- (7) Death benefits under a policy of motor vehicle insurance are immediately payable to the deceased's surviving spouse and dependent children, rather than to the deceased's estate, to avoid the delays and taxes associated with probate.
- (8) The calculation of allowable expenses for tort threshold purposes is clarified and the threshold requirements for uninsured motorist benefits are conformed to the requirements for liability insurance benefits.
- (9) The bill incorporates measures designed to eliminate abuses and excessive charges associated with independent medical examinations (IMEs). The bill clarifies that the workers' compensation fee schedule charge allowable for IMEs may not be exceeded by submitting a separate charge for the report or other ancillary procedures incident to the conducting of an IME. The practice of

charging up to several thousand dollars in excess of the permissible fee under the workers' compensation schedule for consultation for a complex medical problem violates the cost containment provision.

- (10) The UIM statute of limitations for claims under the existing automobile insurance law is clarified to avoid the submission of unnecessary claims. The submission of duplicative or unnecessary claims should be significantly reduced by allowing UIM claims to be made after resolution of the liability claim, just as personal injury protection benefits (PIP) denials need not be made until after the last payment.
- (11) Motorcycle liability policy limits are conformed to the motor vehicle liability policy limits established in Act 251 to allow motorcyclists to benefit from premium reductions similar to that enjoyed by motorists.
- (12) Motorcycle passengers are excluded from PIP coverage, unless such coverage is provided in the specific motor vehicle policy, to conform the law regarding coverage for motorcycle passengers to the existing law for motorcycle operators.
- (13) Wage loss options are modified to provide for greater flexibility at lower premiums.
- (14) Coverage for chiropractic treatment is amended by limiting the number of allowable x-rays and incorporating acupuncture treatments. The Hawaii State Actuary has stated that the inclusion of acupuncture treatments will not result in rate increases because such treatments will be subject to the same thirty visit limitation that is applicable to chiropractic treatments.
- (15) The coverage for rental car property damage is amended to conform to the coverage for bodily injury.
- (16) The bill provides for indemnification of agents for the issuance of automobile insurance policies.
- (17) The bill makes numerous technical corrections and other amendments to clarify the intent of Act 251 and further strengthen its provisions.

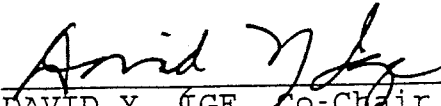
Your Committee on Conference is in accord with the intent and purpose of H.B. No. 2823, H.D. 1, S.D. 1, as amended herein,

and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2823, H.D. 1, S.D. 1, C.D. 1.


Respectfully submitted,

MANAGERS ON THE PART OF THE
SENATE

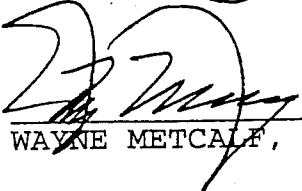
MANAGERS ON THE PART OF THE
HOUSE



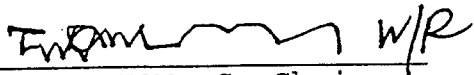
DAVID Y. IGE, Co-Chair



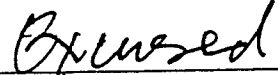
RON MENOR, Co-Chair




WAYNE METCALF, Co-Chair

 W/R


TERRANCE W.H. TOM, Co-Chair



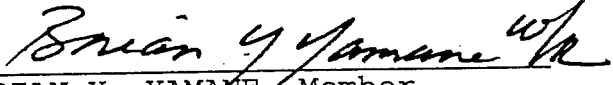
BRIAN KANNO, Member

 W/R

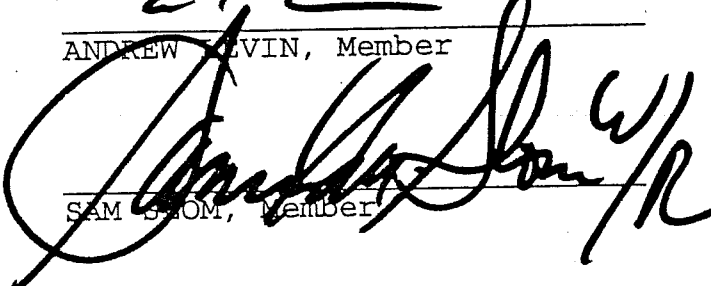
CALVIN K.Y. SAY, Co-Chair



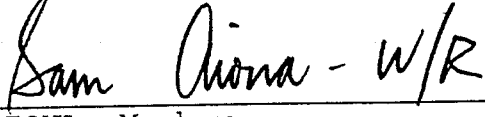
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 W/R

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 W/R

SAM SOM, Member

 W/R

SAM AIONA, Member

LATE

Hawaii Oriental Medicine and Acupuncture Association

Joint House Committees on Consumer and Commerce and Health

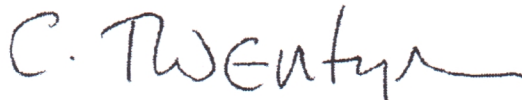
**Testimony Supporting HB 235
Relating to Health**

February 8, 2017

Dear Chair McKelvey and Chair Belatti

My name is Dr. Craig Twentyman, President of HOMAA, I am writing in support of HB Bill 235 to raise the rate for Acupuncturists for treating accident victims. It has been years since any raises have occurred and our overhead expenses keep going up. Acupuncture treatment is not a cost driver under no fault claims. Moreover, all other health care providers have seen increases in pay; we are the only profession that hasn't seen a increase in fees for the past twenty years. Therefore, I am strongly in support of this bill.

Respectfully yours,



Craig T. Twentyman, Ph.D., L.Ac.
Licensed Psychologist and Acupuncturist



Institute of Clinical Acupuncture and Oriental Medicine

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Honolulu, Hawaii 96817
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info@orientalmedicine.edu

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Joint House Committees on Consumer Protection & Commerce and Health

February 8, 2017

Testimony Supporting HB 235 Relating to Health (Acupuncture)

LATE

Rep. Augus McKelvey, Chair (CPC) & Rep. Linda Ichiyama, Vice Chair (CPC)
Rep. Della Belatti, Chair (HLT) & Rep. Bertrand Kobayashi, Vice Chair (HLT)
Members of the House, Committees on CPC and HLT

We are writing in support of HB 235 that would increase reimbursement for acupuncture treatment under Personal Injury Protection (PIP) benefits provided through motor vehicle insurance. We urge the Committees to pass the bill for the following reasons:

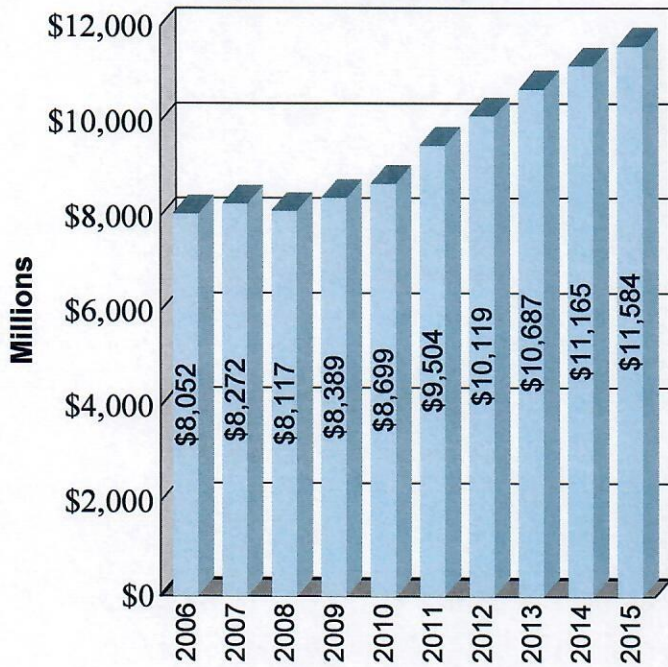
1. According to the Hawaii State Auditor, acupuncture PIP costs only 2% (1997), therefore acupuncture is NOT a cost driver;
2. The Centers for Disease Control and Prevention (CDC) is urging primary care doctors to try other pain alternatives before turning to painkillers such as OxyContin and Vicodin (2016);
3. Acupuncture treatment fees in Worker's Compensation have NOT increased for 20 years while other services have increased over the years;
4. The 2014 Profitability Report from the National Association of Insurance Commissioners stated that Hawaii has a Return on Net Worth of 14.3 percent, one of the highest in the nation (2015 NAIC);
5. Auto Insurance companies collected \$797,403,397 in premiums from Hawaii drivers during 2015 (2015 NAIC);
6. State Farm 2015 Annual Report stated that Net Income in 2014 was \$1,046 (in Millions) and in 2015 was \$2,137 (in Millions);
7. The Insurance Journal stated that "*Net income for Berkshire-Hathaway soared nearly 41 percent to 6.4 billion in second quarter 2014...*";
8. GEICO, a wholly owned subsidiary of Berkshire Hathaway, Inc., has assets of more than \$32 billion (www.geico.com) and lastly
9. Acupuncture students graduate with 3200 hours of education, providing effective treatments and lowering the dependency on pain medication.

Based on the above data, it is unfair and unreasonable to not adjust payments for acupuncture services for the last 20 years. Please do not undermine the integrity of an ancient art of medicine that is being validated everyday through the restoration of health and wellness for billions of people, not only in the USA, but also the entire world. Thank you for the opportunity to testify on this measure.

Respectfully,
Wai Hoa Low, DAOM, MBA, L.Ac.
President/CEO

Overview of the 2015 Insurance Market In Hawaii

Total Direct Premium Written In-State All Types of Insurance



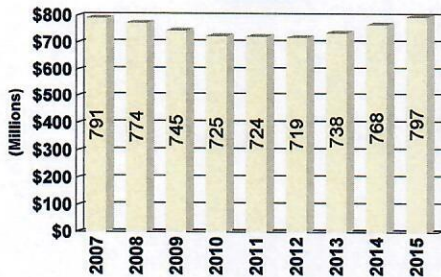
Source: National Association of Insurance Commissioners.

Premium by Line of Business in Hawaii

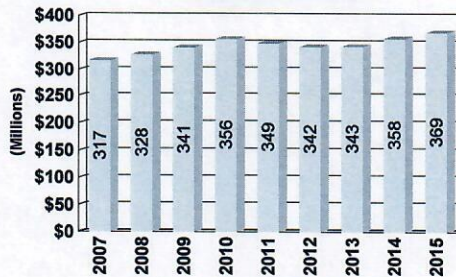
Line of Business	Premium Written	State Rank	% of U.S.
Automobile	\$797,403,397	43	0.35%
Homeowners multiple peril	\$368,754,863	42	0.41%
Other	\$274,182,140	40	0.42%
Workers' compensation	\$261,805,218	44	0.42%
Commercial multi peril	\$174,298,333	45	0.44%
Ocean & Inland Marine	\$113,355,781	41	0.49%
Allied lines	\$92,177,898	34	0.74%
Fire	\$68,301,821	36	0.55%
Surety	\$39,707,418	38	0.71%
Federal flood	\$32,890,571	14	1.15%
Medical professional liability	\$27,272,107	46	0.29%
Mortgage guaranty	\$20,724,750	42	0.43%
Accident & Health	\$13,674,837	49	0.24%
Earthquake	\$11,556,671	29	0.51%
Aircraft (all perils)	\$11,052,918	40	0.75%
Products liability	\$9,309,704	45	0.26%
Credit	\$5,694,895	43	0.34%
Boiler and machinery	\$5,425,332	50	0.33%
Fidelity	\$5,116,489	39	0.42%
Financial guaranty	\$4,107,589	14	0.93%
Farm	\$1,837,735	48	0.01%
Burglary and theft	\$619,588	46	0.22%
Crop	\$0	43	0.00%
Total	\$2,339,270,048	43	0.40%

Source: National Association of Insurance Commissioners

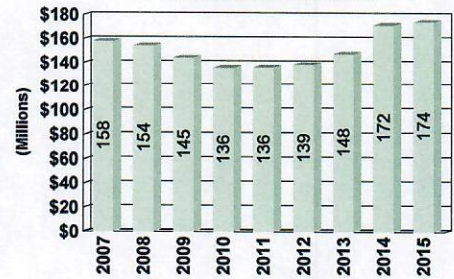
Premium Written for Automobile Insurance



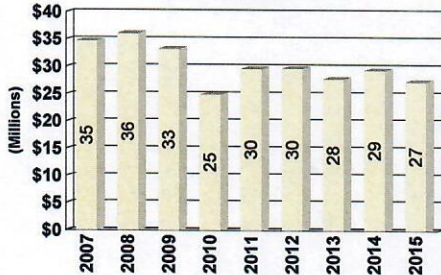
Premium Written for Homeowners Insurance



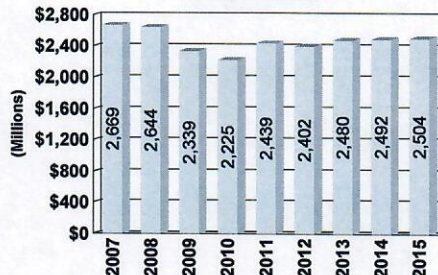
Premium Written for Commercial MP Insurance



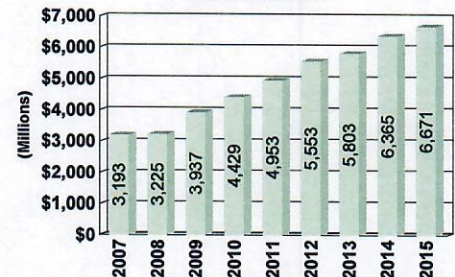
Premium Written for Medical Liability Insurance



Premium Written & Deposits for Life Insurance *



Premiums Written & Deposits for Health Insurance **



* Figures include Life, Annuities, Deposit Type Funds, and Other Considerations from the NAIC Life, and Fraternal financial statements.

** Figures include Health data from the NAIC Health, Life, and Fraternal financial statements and California Insurance data.

Figures include data from State Funds where applicable.

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2014 Profitability Report Hawaii

Line Of Business	(1) Direct Premiums Earned (000s)	(2) Losses Incurred	(3) Loss Adjust Expense	(4) General Expense	(5) Selling Expense	(6) Percent of Direct Premiums Earned			(8) Under- Writing Profit	(8A) Invest Gain On Trans		(8B) Tax On Trans	(8C) Profit On Trans	(9) Percent of Net Worth		
						(5) License Fees	(6) Plyhdr Divs To	(7) Plyhdr Profit		(8A) Ins	(8A) Trans			(9) Earned Prem To Net Worth	(10) Inv Gain On Net Worth	(11) Tax On Inv Gain On Net Worth
Private Passenger Auto Liability	402,160	53.4	9.3	5.4	13.4	3.6	0.7	14.1	4.4	6.1	12.4	88.2	4.2	1.1	14.0	
Private Passenger Auto Physical	256,878	56.0	8.6	5.2	13.1	3.4	1.0	12.8	1.9	5.0	9.7	123.1	4.2	1.1	15.0	
Private Passenger Auto Total	659,038	54.4	9.0	5.4	13.3	3.5	0.8	13.6	3.4	5.7	11.3	99.2	4.2	1.1	14.3	
Commercial Auto Liability	79,585	37.9	8.6	7.2	21.1	2.7	0.0	22.6	5.1	9.2	18.4	66.7	4.2	1.1	15.4	
Commercial Auto Physical	19,934	52.9	9.6	7.2	17.5	2.6	0.0	10.3	1.8	4.1	8.0	96.9	4.2	1.1	10.9	
Commercial Auto Total	99,518	40.9	8.8	7.2	20.3	2.7	0.0	20.1	4.4	8.2	16.3	71.1	4.2	1.1	14.7	
Homeowners Multiple Peril	349,604	26.8	4.9	4.6	19.5	3.5	1.0	39.8	1.3	14.3	26.8	98.2	4.3	1.1	29.5	
Farmowners Multiple Peril	425	30.3	25.0	5.6	29.1	0.0	0.0	9.9	5.1	4.8	10.2	76.2	4.3	1.1	10.9	
Commercial Multiple Peril	166,811	29.1	9.7	7.1	23.5	2.4	0.0	28.2	3.3	10.7	20.8	79.4	4.3	1.1	19.6	
Fire	71,994	9.6	1.2	7.0	20.7	2.1	0.2	59.3	1.1	21.1	39.4	92.3	4.3	1.1	39.5	
Allied Lines	133,350	9.3	0.5	4.7	17.5	2.8	0.3	64.8	0.5	22.8	42.5	101.8	4.4	1.1	46.5	
Inland Marine	81,356	35.3	3.0	6.6	17.5	5.0	0.2	32.5	0.1	11.4	21.2	119.5	4.3	1.1	28.5	
Medical Professional Liability	28,829	85.1	24.6	8.1	10.7	2.9	16.2	(47.5)	7.8	(14.6)	(25.1)	50.4	4.2	1.1	(9.6)	
Other Liability	265,440	51.0	16.2	6.1	20.5	2.3	0.1	3.8	11.4	4.3	10.9	42.6	4.2	1.1	7.8	
Products Liability	10,123	(34.6)	(39.2)	6.8	20.4	1.7	(0.0)	145.0	41.5	61.7	124.9	16.9	4.2	1.1	24.2	
Workers Compensation	231,697	67.8	16.3	6.0	13.3	6.1	1.2	(10.7)	12.0	(0.6)	1.9	42.3	4.2	1.1	3.9	
Mortgage Guaranty	18,210	(6.4)	(0.5)	17.2	8.0	3.1	0.0	78.6	18.1	32.3	64.4	36.5	4.2	1.1	26.6	
Financial Guaranty*	7,673	0.0	0.0	57.9	1.6	4.5	0.0	36.0	2.7	13.3	25.4	33.3	4.4	1.1	11.7	
Accident and Health	7,602	71.8	3.1	5.6	16.9	4.0	0.0	(1.3)	40.4	10.2	28.9	9.1	4.1	1.1	5.7	
Warranty	1,784	44.4	1.9	5.7	0.1	3.8	0.0	44.2	23.2	21.5	45.8	24.8	4.0	1.1	14.3	
All Other	97,313	18.7	(0.2)	8.4	26.4	4.5	0.1	42.1	2.7	15.4	29.3	69.7	4.3	1.1	23.6	
Total All Lines	2,230,765	41.5	8.5	6.1	17.4	3.5	0.8	22.3	5.0	9.1	18.2	68.9	4.2	1.1	15.6	



2015 ANNUAL REPORT TO STATE FARM® MUTUAL POLICYHOLDERS



For nearly 94 years, State Farm has been there when customers need us most.

During 2015, we maintained our financial strength, which enables us to keep this promise. We ended the year profitable, primarily due to an investment gain that offset an underwriting loss.

The A.M. Best Co., which provides an independent opinion of an insurance company's ability to meet obligations to policyholders, continues to give its highest rating (A++) to State Farm Mutual.

Thank you for putting your trust in State Farm. We are proud to serve you.

Michael L. Tipsord
Vice Chairman, President and Chief Executive Officer

Notice of Annual Meeting

The annual meeting of State Farm Mutual Automobile Insurance Company is held each year at 10 a.m. on the second Monday of June at the Company's Corporate Headquarters, One State Farm Plaza, Bloomington, Illinois. All members may participate in the annual meeting, and the first named insured has a right to vote by proxy or in person. You may receive a proxy by writing to Customer Service, One State Farm Plaza, Bloomington, Illinois 61710. Please include your State Farm Mutual Automobile Insurance Company policy number in your request. Proxies must be on file with the Corporate Secretary 20 days before the annual meeting.

State Farm Mutual Automobile Insurance Company
Bloomington, IL

Please see statefarm.com® for additional information about the Company.

153-9000.44

STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY

Statement of Condition (In Millions of Dollars)

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and Short Term Investments	\$ 1,345	\$ 1,397
Bonds	41,766	43,834
Unaffiliated Common & Preferred Stocks	43,120	47,863
Equity in Insurance Subsidiaries	34,842	31,529
Other Assets	17,422	14,175
Total Assets	\$138,495	\$138,798
<u>Liabilities</u>		
Claims and Claim Expenses	\$ 28,566	\$ 28,534
Unearned Premiums	11,518	11,101
Other Liabilities	15,780	19,286
<u>Surplus</u>		
Funds for Protection of State Farm Mutual Policyholders	\$ 22,884	\$ 19,568
Investment Fluctuation Reserve	20,618	24,933
Funds Assigned for Protection of Customers of Subsidiaries	36,632	33,246
Funds Assigned for Catastrophe Reinsurance Assumed from Affiliates	2,497	2,130
Total Liabilities and Surplus	\$138,495	\$138,798

Summary of Operating Data (In Millions of Dollars)

	<u>2015</u>	<u>2014</u>
Premium Earned	\$ 37,094	\$ 36,297
Less: Dollars for Claims	25,379	23,771
Expenses for Paying Claims	6,272	6,283
Service and Administrative Fees	9,649	9,201
Underwriting Gain or (Loss)	(4,206)	(2,958)
Plus: Investment Gain ¹ and Other Income	5,340	3,512
Income before Dividends and Taxes	1,134	554
Less: Dividends to Policyholders	0	0
Income Taxes Incurred (Recoverable)	(1,003)	(492)
Net Income	\$ 2,137	\$ 1,046

¹Investment Gain is reported net of capital gains tax.

The financial statements of the Company are audited by an independent public accounting firm.

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Berkshire Profit Soars; Geico, Gen Re Profits Up

Net income for Berkshire-Hathaway soared nearly 41 percent to \$6.4 billion in second-quarter 2014, with nearly \$2.0 billion of investment gains lifting the total, while underwriting profits for Berkshire-Hathaway's property/casualty operations dipped 1.6 percent (before taxes).

Pretax underwriting profits overall—for both life and P/C units together—dropped 22.9 percent to \$637 million in the quarter, with the bulk of the decline attributable from Berkshire Hathaway Reinsurance Group.

Investment income, coming in at nearly \$1.5 billion, brought operating income for insurance and reinsurance operations up to \$2.1 billion for the quarter before taxes, or \$1.5 billion, after taxes—roughly 7.9 percent lower than last year's second-quarter.

Noting that investment decisions are the responsibility of Chairman and CEO Warren Buffett, while individual unit managers are responsible for underwriting decisions, Berkshire reports underwriting results by division but investment income overall, with no allocation to individual units.

Operating income for all of Berkshire-Hathaway, including earnings from non-insurance operations in retail, railroads and other businesses, rose 10.5 percent to \$4.3 billion.

Berkshire Hathaway / Underwriting Division (before taxes)	2014			2013			2014		
	Profit/(Loss)	Change	Change	2014	2013	Change	2014	2013	Change
GEICO	393	336	17.0%	5,081	4,597	10.5%	92.3	92.7	(0.4)
General Re	61	(34)	279.4%	799	735	8.7%	92.4	104.6	(12.3)
Berkshire Hathaway Reinsurance Group	90	315	-71.4%	884	1,206	-32.3%	89.8	75.9	13.9
Berkshire Hathaway Primary Group	137	75	82.7%	1,501	1,543	-2.7%	90.9	95.1	(4.3)
Total Property/Casualty Insurance	530	411	29.0%	6,582	6,140	7.2%	91.9	93.3	(1.4)
Total Property/Casualty Reinsurance	151	281	-46.3%	1,683	2,041	-17.5%	91.0	86.2	4.8
Total Property/Casualty	681	692	-1.6%	8,265	8,181	1.0%	91.8	91.5	0.2
Total Property/Casualty Ex-BHRG	591	377	56.8%	7,381	6,675	10.6%	92.0	94.5	(2.5)

Berkshire Hathaway / Underwriting Division (before taxes)	2014			2013			2014		
	Profit/(Loss)	Change	Change	2014	2013	Change	2014	2013	Change
GEICO	746	602	23.9%	9,965	9,996	-0.3%	92.5	93.3	(0.8)
General Re	157	62	153.2%	1,587	1,493	6.3%	90.1	95.8	(5.7)
Berkshire Hathaway Reinsurance Group	328	976	-66.4%	2,113	3,120	-25.9%	85.8	68.7	17.1
Berkshire Hathaway Primary Group	236	129	82.9%	2,002	1,529	30.9%	88.2	91.6	(3.4)
Total Property/Casualty Insurance	982	731	34.3%	13,667	10,525	28.9%	91.8	93.1	(1.3)
Total Property/Casualty Reinsurance	485	1,038	-53.3%	3,900	4,613	-15.5%	87.6	77.5	10.1
Total Property/Casualty	1,467	1,769	-17.1%	17,567	15,138	15.4%	90.8	88.3	2.4
Total Property/Casualty Ex-BHRG	1,139	793	43.6%	13,554	12,018	12.8%	91.6	93.4	(1.8)

Note: Combined Ratio calculated as (Losses + Expenses) / Earned Premium. All dollar figures in millions.

Breaking down the insurance underwriting results, Berkshire Hathaway Reinsurance Group posted the only underwriting loss of the Berkshire insurance and reinsurance units in the quarter—a \$9 million loss in the quarter, consisting of a \$99 million loss for life and annuity business and \$90 million of profit for P/C business.

While the \$90 million of profit for Berkshire Hathaway Reinsurance Group was lower than last year's \$315 million underwriting gain in the second-quarter, Berkshire's other P/C reinsurance operation—General Re—saw underwriting profits climb in the quarter.

Unit/Component (Dollars in Millions)	Profit/Loss			Earned Premiums			Combined Ratio		
	2014	2013	% Change	2014	2013	% Change	2014	2013	Change
GEICO	393	336	17.0%	5,081	4,597	10.5%	92.3	92.7	(0.4)
General Re	61	(34)	279.4%	799	735	8.7%	92.4	104.6	(12.3)
Berkshire Hathaway Reinsurance Group	90	315	-71.4%	884	1,306	-32.3%	89.8	75.9	13.9
Berkshire Hathaway Primary Group	137	75	82.7%	1,501	1,543	-2.7%	90.9	95.1	(4.3)
Total Property/Casualty Insurance	530	411	29.0%	6,581	6,140	7.2%	91.9	93.3	(1.4)
Total Property/Casualty Reinsurance	151	281	-46.3%	1,633	1,204	37.5%	91.0	86.2	4.8
Total Property/Casualty	681	692	-1.6%	8,265	8,181	1.0%	91.8	91.5	0.2
Total Property/Casualty Ex BHRG	591	377	56.8%	7,381	6,875	7.4%	92.0	94.5	(2.5)

Unit/Component (Dollars in Millions)	Profit/Loss			Earned Premiums			Combined Ratio		
	2014	2013	% Change	2014	2013	% Change	2014	2013	Change
GEICO	746	602	23.9%	9,965	8,995	10.8%	92.5	93.3	(0.8)
General Re	157	62	153.2%	1,537	1,493	6.3%	90.1	95.8	(5.7)
Berkshire Hathaway Reinsurance Group	328	976	-66.4%	2,313	3,120	-25.9%	85.8	68.7	17.1
Berkshire Hathaway Primary Group	236	129	82.9%	2,002	1,529	30.9%	88.2	91.6	(3.4)
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Total Property/Casualty Reinsurance	485	1,038	-53.3%	3,900	4,613	-15.5%	87.6	77.5	10.1
Total Property/Casualty	1,467	1,769	-17.1%	15,867	15,138	4.8%	90.8	88.3	2.4
Total Property/Casualty Ex BHRG	1,139	793	43.6%	13,554	12,018	12.8%	91.6	93.4	(1.8)

Gen Re also reported an 8.7 percent jump in earned premiums.

Eclipsing that, Berkshire's GEICO reported double-digit jumps in earned premiums and underwriting profits for the quarter.

The other primary insurance units—making up Berkshire Hathaway Primary Group—reported a 2.7 percent drop in premiums to \$1.5 billion.

Across all the P/C businesses—insurance and reinsurance—earned premiums reached \$8.3 billion for the second-quarter, just 1.0 percent higher than last year's second-quarter.

For the first half, P/C earned premiums rose 4.8 percent to \$15.9 billion, while underwriting profits fell 17.1 percent.

For both the quarter and the six month periods, Berkshire's 10-Q filing notes that large gains for Berkshire Hathaway Reinsurance Group in 2013, which weren't repeated in 2014, explain overall declines in underwriting results for both periods.

Overall, the P/C combined ratio is still more than nine points better than breakeven, coming in at roughly 90.8 for the first six months of 2014.



LATE

To: The Honorable Angus L.K. McKelvey, Chair
The Honorable Linda Ichiyama, Vice Chair
House Committee on Consumer Protection and Commerce

The Honorable Della Au Belatti, Chair
The Honorable Bertrand Kobayashi, Vice Chair
House Committee on Health

From: Mark Sektnan, Vice President
Property Casualty Insurers Association of America

Re: **HB 235 – Relating to Health**
PCI Position: OPPOSE

Date: Wednesday February 8, 2017
2:00 p.m., Conference room 329

Aloha Chairs McKelvey and Belatti, Vice Chairs Ichiyama and Kobayashi and Members of the Committees:

The Property Casualty Insurers Association of America (PCI) opposes HB 235 which will increase the authorized benefit for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance. PCI is a national trade association that represents over 1,000 property and casualty insurance companies. In Hawaii, PCI member companies write approximately 42.3 percent of all property casualty insurance written in Hawaii. PCI member companies write 44.7 percent of all personal automobile insurance, 65.3 percent of all commercial automobile insurance and 76.5 percent of the workers' compensation insurance in Hawaii.

In the mid-1990's, the state Legislature took steps to lower the cost of auto insurance in Hawaii. One of the steps was the elimination of benefits for acupuncture under the personal injury protection (PIP) benefits. When acupuncture benefits were added back in the next year, these benefits were grouped under the maximum treatment and maximum reimbursements for chiropractic care. This was done to ensure that the addition of acupuncture benefits did not increase the cost of motor vehicle insurance. Increasing the cost of any one treatment, including acupuncture, may result in higher costs for automobile insurance.

For these reasons, PCI asks the committee to hold this bill. Thank you for the opportunity to provide comments.

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, February 4, 2017 2:04 AM
To: CPCtestimony
Cc: joel_hrdng@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/4/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Joel Harding	Individual	Support	Yes

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. My name is Joel Harding. I am a Afghanistan war veteran and a student at the Institute of Clinical Acupuncture and Oriental Medicine. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 11:27 AM
To: CPCtestimony
Cc: aculyna@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Lyna Morimoto	Individual	Support	No

Comments: I definitely support HB235

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 11:53 AM
To: CPCtestimony
Cc: 7seasakupuncture@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Janet H. Boyd	Individual	Support	No

Comments: I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely Janet H. Boyd L.Ac M.S

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 1:18 PM
To: CPCtestimony
Cc: Siyoungkim747@gmail.com
Subject: *Submitted testimony for HB235 on Feb 8, 2017 14:00PM*

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Alex kim	Citizen	Support	Yes

Comments:

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Sent: Monday, February 6, 2017 1:15 PM
To: CPCtestimony
Cc: dipying@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Leung, Tammy	Individual	Support	No

Comments: Hello my name is Tammy Leung. I am writing this letter in strong support of House Bill 235. Thank you.

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DR. JAYNE TSUCHIYAMA

integrated medicine oahu

D.A.O.M. • DIPL. O.M. • D.AC.

My name is Dr. Jayne Tsuchiyama. I am testifying in strong support of HB235.

If the salaries of the members of this Legislature had been frozen for the last 20 years, today your compensation would be \$32,000. I have no doubt that you would consider such an amount ridiculously low, you would think that it does not comport with the demands of the job, nor compare with the salaries that obtain in the broader workforce and you would demand that the amount be increased to reflect the annual increase in the cost of living over the past two decades.

Why then is it OK for this body to freeze the income of acupuncturists for twenty years? The Legislature has not seen fit to increase the authorized benefit for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance since 1996.

Acupuncture is a legitimate and increasingly common practice in the spectrum of medical services available throughout the country. Its effectiveness in treating dozens of medical conditions has been recognized by the World Health Organization and the US Centers For Disease Control. It has been enthusiastically integrated into the range of practices used by the most advanced and successful hospitals in the nation such as the Cleveland Clinic, Columbia Presbyterian, Memorial Sloan Kettering, Johns Hopkins, MD Anderson, UCLA Medical Center, Massachusetts General, Mount Sinai and of course our own Queen's Medical Center.

Anecdotal evidence that I have heard indicates that, as a result of the freeze on motor vehicle insurance reimbursements, acupuncturists are increasingly reluctant to accept patients seeking these benefits. If true, this will lead to higher medical costs and ultimately to higher health insurance costs for all Hawaii residents.

Here's why: Acupuncture is frequently a more cost-effective way of treating certain conditions than allopathic or western medicine – this is true for example in the treatment of the side-effects of chemotherapy and radiation, one of my areas of specialization. Another example might be back and neck pain; the sort of pain typically caused by, say, whiplash in a car accident. Back and neck pain is the single most common cause of lost work days due to medical reasons (over 25% of all reported sick days). Back pain is notoriously difficult and expensive to treat with western medicine. Numerous rigorous studies by researchers, both in the U.S.A. and abroad, have demonstrated the efficacy of acupuncture in treating back pain. If this body refuses to raise rates and acupuncturists decline to treat automobile insurance patients, those patients may be forced to resort to more expensive drug therapies and/or surgery.

Moreover, the outcomes will not be as good, leading to lower productivity.

In other words refusing to raise rates is a false economy. It ultimately will cost our society in lost productivity and higher health insurance rates.

Even more bizarrely, the Legislature has not frozen the compensation of massage therapists. A massage therapist can obtain their licensure with just 570 hours of training, typically after about 6 months of part-time course work. An acupuncturist by contrast requires a Master's degree - the culmination of 5 years of study which typically leaves practitioners with tens of thousands of dollars in student loans. Yet by law the masseuse is paid nearly twice as much as the acupuncturist. It's illogical, it's disrespectful of our profession, it's dismissive of our benefit to society and it's counter-productive.

Twenty years is long enough - let's pass HB235 now.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 1:05 PM
To: CPCtestimony
Cc: tomyuu@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Yao-Yu Lee	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 12:41 PM
To: CPCtestimony
Cc: mingzhi888@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Clara Wong	Individual	Support	No

Comments: Hello my name is Clara WONG. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is ZhiQing YAN. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Raquel XIAO. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Tiffany WONG. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Jenny LOUIE. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Shirley LEE. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is TingPong MA. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Amanda MA. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is Standley MA. I am writing this letter in strong support of House Bill 235. Thank you. Hello my name is YuenSheung KO. I am writing this letter in strong support of House Bill 235. Thank you.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 1:22 PM
To: CPCtestimony
Cc: bambufish@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Fisher	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic in Hawaii. I as an Acupuncturist have many demands ranging from supplies to spending time with patients and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every known medical service except this one as well as the cost of rent and supplies and the general cost of living. I urge you to strongly consider passing in favor of House Bill 235. Acupuncturists offer a great service to the medical system as a whole. Please keep us alive. Thank you for all your time and support. Sincerely Barbara Fisher

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 2:01 PM
To: CPCtestimony
Cc: saraironhill@gmail.com
Subject: *Submitted testimony for HB235 on Feb 8, 2017 14:00PM*

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Sara Ironhill	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 2:04 PM
To: CPCtestimony
Cc: mariyakai@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Mariya Gold	Individual	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members, I am writing you in strong support of HB 235. I have been a licensed acupuncturist in the state of Hawaii since 2011. I graduated from the Institute of Clinical Acupuncture and Oriental Medicine in Honolulu. I love our beautiful aloha state and hope to continuing offering my healing services to our community. Unfortunately, adequate compensation of my services is something that I must take in to consideration for whether or not I will be able to stay in Hawaii long-term due to both the cost of doing business here and the cost of living combined. It has been 20 years since licensed acupuncturists in Hawaii have seen an adjustment to the cap for no fault auto insurance claims. Since then wages have gone up for every known medical service except ours and I find this to be very disheartening. Our profession deserve acknowledgement and more fair compensation for the healing services provided to this beautiful state. I strongly urge you to vote in favor of House Bill 235. Mahalo for your time and support. With much aloha, Mariya Gold, Licensed Acupuncturist Kailua Acupuncture Clinic

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 4:54 PM
To: CPCtestimony
Cc: corpuzrandall@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Randall Corpuz	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely Randall Corpuz

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HB235

Testimony of Nohea Marlow, Individual
Committee on Health
Committee on Consumer Protection and Commerce
Hearing : Wed Feb.8 ,2017, 2:00pm

Aloha Chair McKelvey, Chair Belatti and Committee Members,

I am a resident in the Kaimuki area of Honolulu, and in Rep. Kobayashi's district. This is my first time submitting personal testimony and I am doing so because it is something very near and dear to me. I am writing you in support of HB 235. I am a student majoring in acupuncture and oriental medicine, and am also a yoga instructor and a true believer in the power of health and wellness. I have had the opportunity to work as an intern in different clinical settings and have seen the effectiveness of acupuncture for many people, as well as, unfortunately, the struggle for many practitioners in sustaining their practice. As a student, I have had to take out multiple student loans to pay for my higher education and am looking forward to graduating and opening my own practice to help those in need. Unfortunately I fear the daunting expenses and fees I will incur as a business owner and acupuncturist, and feel that it is time to adjust the cap set for acupuncture treatments under no fault auto insurance claims. Wages have increased for virtually all other medical services over the years, yet for acupuncturists, this hasn't been adjusted for over 20 years, while clearly the economy has changed. This should be adjusted accordingly so that acupuncturists can make a living like other health care practitioners. I strongly urge you to consider passing in favor of House Bill 235 and thank you in advance for your time and consideration.
Mahalo nui loa.

Sincerely,
Nohea Marlow

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 10:03 PM
To: CPCtestimony
Cc: jennahia@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Noelani Ahia	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patients and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely, Jennifer Noelani Ahia L.Ac.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 9:14 PM
To: CPCtestimony
Cc: amarie133@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
andrea ipsaro	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patients and paying for rent and supplies. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every known medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Acupuncturists help people all the time. Many of my patients have improved their wellbeing without drugs or surgery. Acupuncture works. Thank you for all your time and support. Sincerely Andrea ipsaro

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Sent: Monday, February 6, 2017 9:05 PM
To: CPCtestimony
Cc: andresorger@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Andre Sorger	Individual	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235.

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Karen Tan, ND, MAcOM, LAc.
320 Ward Ave, Suite 105
Honolulu, HI 96814
(808) 591-8778

Feb 6, 2017

Re: HB 235

Aloha Chair McKelvey, Chair Belatti and Committee Members.

I am Dr Karen Tan, a Naturopathic Physician and Licensed Acupuncturist that's been in private practice since 1995.

I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. As an Acupuncturist, I have many demands ranging from supplies to time spent with patients and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235.

Thank you for all your time and support.

Sincerely,

Dr Karen Tan

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 8:29 PM
To: CPCtestimony
Cc: songkh316@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Clara K Song	Individual	Comments Only	No

Comments: Dear Chair McKelvey, Chair Belatti and Committee Members. I advocate the passing of House Bill 235 to provide Acupuncturists the means to meet the demands of running a business and to sustain a decent quality of life as a practitioner in this field of medicine in the State of Hawaii. Please, pass House Bill 235. Mahalo nui loa for your consideration on this important matter. Very Respectfully, Clara Song

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 8:28 PM
To: CPCtestimony
Cc: cjkurosu@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Catherine Kurosu	Individual	Support	No

Comments: Dear Chair McKelvey, Chair Belatti, and Committee Members: I am writing in support of HB235. As a medical doctor and licensed acupuncturist, I have treated patients who were, unfortunately, involved in car accidents and other personal injuries. Combining acupuncture with physical therapy or massage therapy has proven to be useful in hastening the healing process. While our health care colleagues have received fee increases over the past two decades, acupuncturists have not. I strongly believe that such an increase is warranted and hope that you will agree and vote in support of HB 235. Best regards, Catherine Kurosu, MD, LAc

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 7:54 PM
To: CPCtestimony
Cc: otab83@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Ota, D. Ac.	Individual	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely

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1480 Ulupuni St.
Kailua, HI 96734

RE: HB235

Aloha Chair McKelvey, Chair Belatti and Committee Members.

I am writing you in support of HB 235. It is not easy running a small business in our great state of Hawaii. I My colleagues as Acupuncturists, have many demands ranging from supplies to time spent with patients and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every medical service except this one. I urge you to strongly consider passing in favor of House Bill 235.

Thank you for your time and support.

Sincerely,

Judi Kawachi, LAc

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 7:45 PM
To: CPCtestimony
Cc: maggie1668@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Chan Mee Yuk	Individual	Support	No

Comments: Hello, my name is Mee Yuk Chan. I am writing this letter in strong support of house Bill. Thank you.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 5:46 PM
To: CPCtestimony
Cc: chickswhorip808@yahoo.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/6/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Chanre	Individual	Support	No

Comments: I support this bill and want it to pass!

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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 7, 2017 8:33 AM
To: CPCtestimony
Cc: megblaser@hotmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/7/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Blaser	Individual	Comments Only	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patients and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely, Meg Blaser, Dipl.O.M., L.Ac., L.M.T.

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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 7, 2017 11:15 AM
To: CPCtestimony
Cc: jaylene@hawaii.rr.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/7/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Jaylene K. Hamilton	Individual	Support	No

Comments: I am writing in support of HB 235 that would increase reimbursement for acupuncture treatment under Personal Injury Protection (PIP) benefits provided through motor vehicle insurance. As a member of the United States Army Reserve, I am planning to retire in 2 years with 20+ years of service. I am also a Licensed Massage Therapist in the State of Hawaii, and working toward my Doctorate in Oriental Medicine and Acupuncture. It is my intention to transition from the military and start a holistic health care practice after I retire to provide affordable healthcare to the people in the State of Hawaii. The current caps for compensation for current and future practitioners of Acupuncture put us at such an economic disadvantage as the costs for starting up and running a practice are extremely high here in Hawaii. Raising compensation would truly allow us to provide a safe and affordable alternative to healthcare while supporting small businesses here in Hawaii. Thank you!

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Gregory S Fritz
91-555 Pupu Street
Ewa Beach, Hawaii 96706

LATE

February 7, 2017

The Honorable Angus McKelvey, Chair, Committee on Consumer Protection & Commerce
The Honorable Della Au Belatti, Chair, Committee on Health
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Hearing Date: Wednesday, February 8, 2017 2:00 PM
I regret that I will not be present to personally deliver my testimony.

Re: In Support to H.B. 235: RELATING TO HEALTH

Dear House Judiciary and Finance Committees:

My name is Greg Fritz and I strongly urge you to oppose HB235: Relating to Health. I am a registered voter, property owner, taxpayer and resident of the state of Hawaii since 2000. I served 24 years in the United States Army and retired to Hawaii in 2013. I am currently working toward my Master of Science in Oriental Medicine at the Institute for Clinical Acupuncture and Oriental Medicine on Oahu. I intend to establish a holistic health care practice in the Ewa Beach area in order to provide affordable healthcare to the people in the State of Hawaii. The current authorized benefit for acupuncture treatments allowed under personal injury protection benefits provided through motor vehicle insurance put practitioners at a severe economic disadvantage. The costs associated with starting and maintaining a practice in Hawaii extremely high. I constantly hear from current practitioners regarding the challenges associated with high shipping costs and the expense involved in order to stay current with education. Airfare and lodging involved with travel to workshops on the Mainland increase the cost of doing business in this great state. Raising the maximum compensation would allow licensed acupuncturists to continue

to provide a safe and affordable modality of healthcare and increase the probability of small businesses to succeed here in Hawaii.

The automotive industry would ask you to believe that increasing the payment cap for acupuncture treatments and tying future annual increases to the Medicare economic index would be an economic driver causing increases to everyone's vehicle insurance rates. The logic behind this reasoning is not sound. As the number of visits per incident is limited and the cost of acupuncture treatment would still be lower than most Western Medical treatments, the cost difference with increase would be minimal but the impact on the practitioner's ability to remain in business in Hawaii would be tremendous.

Thank you for your time, your leadership, your consideration of approval of H.B. 235 and for cultivating an environment that allows small business owners to succeed in providing affordable medical care in the State of Hawaii.

I urge you to vote YES on H.B. 235.

Sincerely,

Gregory S. Fritz
Hawaii Voter

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 8, 2017 12:18 AM
To: CPCtestimony
Cc: 7treasuresacupuncture@gmail.com
Subject: *Submitted testimony for HB235 on Feb 8, 2017 14:00PM*

HB235

Submitted on: 2/8/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
katherine fisher	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
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To: CPCtestimony
Cc: zenyokai@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/7/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Steve McLaughlin	Individual	Support	No

Comments: Aloha Chair McKelvey, Chair Belatti and Committee Members. I am writing you in support of HB 235. It is not easy running a small clinic/business in our great state of Hawaii. I as an Acupuncturist have many demands ranging from supplies to time spent with patience and keeping the lights on. It has been 20 years since the cap has been adjusted for no fault auto insurance claims. Since then wages have gone up for every know medical service except this one. I urge you to strongly consider passing in favor of House Bill 235. Thank you for all your time and support. Sincerely Steve McLaughlin, Professor - L.Ac

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LATE

Liberata J. Orallo, LAc, LMT
444 Nahua Street #1805
Honolulu, Hawaii 96815-2977

JOINT HOUSE COMMITTEES ON CONSUMER PROTECTION AND HEALTH

February 8, 2017

Testimony in Support of HB 235

Relating to Health

Representative Augus McKelvey, Chair (CPC)
Representative Linda Ichiyama, Vice Chair (CPC)
Representative Della Belatti, Chair (HLT)
Representative Bertrand Kobayashi, Vice Chair (HLT)
Members of the House Committees on CPC and HLT

Chairs McKelvey and Ichiyama, Vice Chairs Belatti and Kobayashi and Members of the Committees of CPC and HLT:

I am writing in strong support of HB 235 that would increase reimbursement for acupuncture treatment under Personal Injury Protection (PIP) benefits provided through motor vehicle insurance.

Act 251 was the demise of Licensed Acupuncturists throughout the State of Hawaii as it froze reimbursement rates for the past 20 years. Conversely, the rates increased for other alternative provider services. It is time that this discriminatory Act end. Not only has the cost of living increased, but also the cost of doing business and continuing education, yet for 20 years, we still have the same rate of reimbursement. Interestingly enough, the net profits of insurance companies such as State Farm and Geico have increased substantially (*2015 State Farm Annual Report; Insurance Journal 2014*). What is wrong with this picture?

It has been proven scientifically and medically from various organizations such as Harvard Health, the Centers for Disease Control and Prevention, the National Institute of Health et al, that acupuncture is a drug-free approach to pain treatment in light of the dangers of opioids (morphine, Percocet, Vicodin, and OxyContin) overdose that is now an epidemic. This itself should be considered a cost saving approach to insurance companies.

I kindly urge both Committees to pass this measure to reflect the needed annual increases and to give Acupuncturists their just due.

Thank you for the opportunity to testify.

Liberata J. Orallo, LAc, LMT

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 7, 2017 10:18 PM
To: CPCtestimony
Cc: tylermcmurtry@gmail.com
Subject: Submitted testimony for HB235 on Feb 8, 2017 14:00PM

HB235

Submitted on: 2/7/2017

Testimony for CPC/HLT on Feb 8, 2017 14:00PM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Tyler McMurtry	Individual	Support	No

Comments: I strongly support this bill. I have been to an acupuncturist many times in the past after various physical injuries and I believe in the power of their work and medicine. They should not be limited by the current cap on no fault claims. I strongly urge you to please support HB235. Thank you for your time and consideration.

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