

HB91 HD1

Measure Title: RELATING TO INSURANCE.

Report Title: Acute Care Hospitals; Health Care Facility; Clean Claims; Insurance

Description: Clarifies that acute care hospitals are covered under the clean claims statute, section 431:13-108, Hawaii Revised Statutes. (HB91 HD1)

Companion:

Package: None

Current Referral: CPH

Introducer(s): BELATTI, DECOITE, EVANS, HASHEM, ITO, KOBAYASHI, LOPRESTI, MCKELVEY, MORIKAWA, NAKASHIMA, ONISHI, OSHIRO, TAKAYAMA, San Buenaventura



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Rosalyn H. Baker, Chair
The Honorable Clarence K. Nishihara, Vice Chair
Members, Committee on Consumer Protection and Health

From: Paula Yoshioka, Senior Vice President, The Queen's Health Systems
Date: March 10, 2017
Hrg: Senate Committee on Consumer Protection and Health Hearing; Tuesday, March 14,
2017 at 9:00AM in Room 229

Re: **Support for HB 91, HD1, Relating to Insurance**

My name is Paula Yoshioka, and I am a Senior Vice President at The Queen's Health Systems. We would like to express our **support** for HB 91, HD1, Relating to Insurance. This bill clarifies that acute care hospitals are covered under the clean claims statute, section 431:13-108, Hawaii Revised Statutes.

We concur with the testimony from the Healthcare Association of Hawaii. This bill clarifies the original intent of the clean claims law to ensure that acute care facilities are paid in a timely fashion when uncontested claims or clean claims are submitted. Specifically, the law requires payments to be made within thirty days for clean claims submitted in writing, and within fifteen days for clean claims submitted electronically.

We commend the legislature for introducing this measure and ask you to support it.

Thank you for your time and attention to this important issue.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

Testimony of
Jonathan Ching
Government Relations Specialist

Before:
Senate Committee on Commerce, Consumer Protection, and Health
The Honorable Rosalyn H. Baker, Chair
The Honorable Clarence K. Nishihara, Vice Chair

March 14, 2017
9:00 a.m.
Conference Room 229

Re: HB91 HD1 Relating to Insurance

Chair Baker, Vice-Chair Nishihara, and committee members, thank you for this opportunity to provide testimony on HB91 HD1, which clarifies that acute care hospitals are covered under the Hawai'i's clean claims statute.

Kaiser Permanente Hawaii SUPPORTS HB91 HD1.

HB91 HD1 is a “housekeeping” measure to clarify that acute care hospitals are subject to Hawai'i's clean claim statute, which requires health plans to pay providers on a timely basis when uncontested claims or “clean” claims are submitted. HB91 HD1 is needed given that amendments to the Act 33, Session Laws of Hawai'i 2015, created ambiguity in the definitions of which providers are covered under the clean claims statute.

Kaiser Permanente Hawaii notes that the main difference between HB91 HD1 and SB373, which is the Senate companion, is that HB91 HD1 clarifies the definition of “Health care facility” to ensure that an acute care hospital is recognized as a health care facility. Given that this is not a substantive amendment that alters the intent of the measure, we continue to support HB91 HD1 as drafted.

Mahalo for the opportunity to testify on this measure.



March 14, 2017 at 9:00 AM
Conference Room 229

Senate Committee on Commerce, Consumer Protection, and Health

To: Chair Rosalyn H. Baker
Vice Chair Clarence K. Nishihara

From: Paige Heckathorn
Senior Manager, Legislative Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 91 HD 1, Relating to Insurance

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 160 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

The Healthcare Association of Hawaii would like to thank the committee for the opportunity to **support** HB 91 HD 1. This measure would amend the definition of "facility" in Hawaii's clean claims law, found in section 431:13-108 of the Hawaii Revised Statutes, to make sure that acute care facilities are protected under the statute. This revision will clarify the original intent of the clean claims law to ensure that acute care facilities are paid in a timely fashion when uncontested (or clean) claims are submitted. (Specifically, the law requires payments to be made within thirty days for clean claims submitted in writing, and within fifteen days for clean claims submitted electronically.)

There were revisions made to the clean claims statute in 2015 Session Laws Hawaii, Act 033, that created ambiguity in the definitions used to define which providers are covered under the statute. This measure would clarify the definition of "facility" by striking out an exclusion created in 2015 for acute care facilities. There is one small difference in HB 91 HD 1 compared to what is in the Senate version of the bill (SB 373). The HD 1 includes a more enumerated definition of "health care facility" by inserting language regarding facilities that provide inpatient medical care and other related services or surgery or acute medical conditions on page 2, lines 9-11. The definition is not a substantive one and we continue to support this measure.

Thank you for your consideration of this matter.

**March 14, 2017 at 9:00am
Conference Room 229**

Senate Committee on Commerce, Consumer Protection, and Health

To: Senator Rosalyn H. Baker, Chair
Senator Clarence K. Nishihara, Vice Chair

From: Michael Robinson
Vice President – Government Relations & Community Affairs

Re: Testimony in Support - HB 91 HD1, Relating to Insurance

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

Hawai'i Pacific Health would like to thank the committee for the opportunity to **support** HB 91 HD1. This measure would amend the definition of "facility" in Hawaii's clean claims law, found in section 431:13-108 of the Hawaii Revised Statutes, to make sure that acute care facilities are protected under the statute. Due to revisions made to the clean claims statute in 2015 Session Laws Hawai'i (Act 033), there is ambiguity in the definitions of which providers are covered. This measure would clarify the definition of "facility" by striking out an exclusion created in 2015 for acute care facilities.

We request your support of this measure and thank you for your time and consideration of this matter.