

STAND. COM. REP. NO.

468

Honolulu, Hawaii

February 16, 2017

RE: H.B. No. 407
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Health and Intrastate Commerce, to which was referred H.B. No. 407 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

beg leave to report as follows:

The purpose of this measure is to authorize the issuance of employer-sponsored high deductible health plans and corresponding health savings accounts under the Prepaid Health Care Act.

Your Committees received testimony in support of this measure from University Health Alliance. Your Committees received testimony in opposition to this measure from the International Longshore and Warehouse Union Local 142 and Hawaii Regional Council of Carpenters. Your Committees received comments on this measure from the Department of the Attorney General, Department of Labor and Industrial Relations, Kaiser Permanente Hawaii, and Hawaii Medical Service Association.

Your Committees have amended this measure by:

- (1) Requiring employers that offer high deductible health plans to also contract with a third party to offer and manage health savings accounts, which shall be maintained in conjunction with each high deductible health plan;

HB407 HD1 HSCR HLT-IAC HMS 2017-2270



- (2) Requiring employers that offer high deductible health plans to deposit an amount equal to the applicable deductible in each corresponding health savings account;
- (3) Changing its effective date to July 1, 2090, and adding a sunset date of June 30, 2022, to encourage further discussion; and
- (4) Making technical nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Intrastate Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 407, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 407, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committees on Health and
Intrastate Commerce,



TAKASHI OHNO, Chair



DELLA AU BELATTI, Chair



