Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 885 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 885, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DELAY IN PRIOR APPROVAL FOR MEDICAL SERVICES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit health insurers from requiring preauthorizations that cause undue delay in patients' medical treatments;
- (2) Clarify that insurers are civilly liable for injury resulting from an undue delay due to a preauthorization requirement; and
- (3) Permit health care providers to seek indemnification from an insurer for civil liability for injury resulting from an undue delay due to a preauthorization requirement.

The Hawaii Radiology Society, Hawaii Medical Association, Hawaii Chapter of the American Physical Therapy Association, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual testified in support of this measure. The Hawaii Medical Service Association, University Health Alliance, and Hawai'i Association of Health Plans testified in opposition. The Insurance Division of the Department of Commerce and Consumer Affairs, Department of Human Services, and two individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 885, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Judiciary,

SCOTT Y. NISHIMOTO, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Judiciary

Bill/Resolution No.:	Committee Referral:	Da	Date:	
4B 885 HDI	T, QUC, 2HH	IN	02/15/2018	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold				
Pass short form bill with HD to recommit for future public hearing (recommit)				
JUD Members	Ayes	Ayes (WR)	Nays	Excused
· · · · · · · · · · · · · · · · · · ·	Ayes	Ayes (VIK)	Ivays	Excused
1. NISHIMOTO, Scott Y. (C)				
2. SAN BUENAVENTURA, Joy A	(VC)		<u> </u>	
2. SAN BOENA VENTURA, JUY A			The second second	
3. BROWER, Tom				o záki zanczny nachadle s
4. LEE, Chris		<u> </u>		
				5. <u></u>
5. MORIKAWA, Dee		- 1 to 1	The state of the s	
6. TAKAYAMA, Gregg				
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7. McDERMOTT, Bob		ner jeden er en	n Wassa antawa	N
8. THIELEN, Cynthia				
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TOTAL (8)				1
The recommendation is: Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				