

STAND. COM. REP. NO.

1432

Honolulu, Hawaii

MAR 20

, 2019

RE: S.B. No. 25
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 25, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to make numerous housekeeping and other changes to the Insurance Code (chapter 431, Hawaii Revised Statutes) to improve the regulation of insurance in the State of Hawaii.

The Insurance Division of the Department of Commerce and Consumer Affairs, Hawaii Insurers Council, American Council of Life Insurers, Zephyr Insurance Company, Inc., Hawaii Captive Insurance Council, and a few individuals submitted testimony in support of this measure.

Kaiser Permanente Hawaii and Hawaii Medical Service Association submitted comments.

Your Committee has amended this measure by:

- (1) Making the reimbursement to provider requirements consistent for mutual benefit societies;

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- (2) Changing the effective date to July 1, 2050, to facilitate further discussion;
- (3) Adding a five-year sunset date for the provisions creating a stopgap measure to implement the Health Benefit Plan Network Access and Adequacy Model Act of the National Association of Insurance Commissioners; and
- (4) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 25, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 25, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROY M. TAKUMI, Chair



