

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 1464
H.D. 2

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 H.B. No. 1464, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to require the Insurance Commissioner to perform a study on capitated rates, comparing Hawaii's current practices with those of other states.

The Hawaii Psychological Association, American Academy of Pediatrics, Hawaii Chapter, Hawaii Medical Association, and a few individuals testified in support of this measure. The Department of Commerce and Consumer Affairs testified in opposition. The Hawaii Medical Service Association provided comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the study examine the correlation between increases in the minimum wage and increases in capitated payment rates in other states; and
- (2) Inserting an appropriation for an unspecified amount for the Insurance Division to conduct the study.



Should your Committee on Finance consider this measure, your Committee respectfully requests that it consider \$250,000 as an appropriate amount necessary as stated by the Insurance Commissioner.

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 H.B. No. 1464, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1464, H.D. 2.

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



ROY M. TAKUMI, Chair



