

Honolulu, Hawaii

FEB 15 2023

RE: S.B. No. 64
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 64 entitled:

"A BILL FOR AN ACT RELATING TO MEDICARE SUPPLEMENT INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require issuers of Medigap insurance in the State to accept an eligible individual's application for coverage at any time throughout the year;
- (2) Prohibit issuers from denying the applicant a Medigap policy or certificate or making any premium rate distinctions for various reasons, including health status; and
- (3) Require the Insurance Commissioner to amend or adopt rules accordingly.

Your Committee received testimony in support of this measure from the Leukemia & Lymphoma Society, ALS Association, Chronic Disease Coalition, Dialysis Patient Citizens, AARP Hawai'i, and two individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs' Insurance Division and one individual.



Your Committee finds that existing state law requires insurance companies that sell Medicare supplement insurance, also known as Medigap insurance, to issue Medigap insurance on a guaranteed-issue basis to eligible individuals without adjusting premiums based on medical underwriting, as long as their applications are submitted within the open enrollment period. Your Committee further finds that under existing law, it is extremely difficult for individuals whose health conditions or financial situations may have changed after their open enrollment period to switch to another Medigap benefit plan that is more suitable. This measure ensures that Medicare enrollees can switch between Medigap benefit plans at any time throughout the year without their premiums being adjusted for various reasons, including health status, even after their open enrollment period.

Your Committee has amended this measure by:

- (1) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 64, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 64, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,

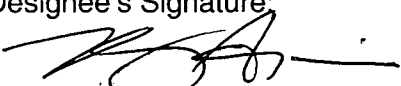


JOY A. SAN BUENAVENTURA, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 6A	HHS, CPN	02/01/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
MORIWAKI, Sharon Y.	✓			
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton	✓			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes