

STAND. COM. REP. NO.

2492

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 3015
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 3015
entitled:

"A BILL FOR AN ACT RELATING TO THE PATIENTS' BILL OF RIGHTS
AND RESPONSIBILITIES ACT,"

begs leave to report as follows:

The purpose of this measure is amend the Patients' Bill of
Rights and Responsibilities Act by prohibiting certain unfair or
deceptive business practices by managed care plans.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs. Comments
were received from the Hawaii Medical Service Association.

Chapter 432E, Hawaii Revised Statutes, relating to the
Patients' Bill of Rights, does not contain provisions for unfair
or deceptive acts or practices in managed care plans. According
to the Department of Commerce and Consumer Affairs, this measure
is intended to protect consumers by establishing prohibited
practices for managed care plans. This measure is based partly on
the California managed care plan statutes.

Your Committee finds that this measure adds protection for
consumers by allowing action against insurers by way of complaint
or investigation, rather than by external review. Often,
consumers cannot obtain legal representation for external review
appeals.

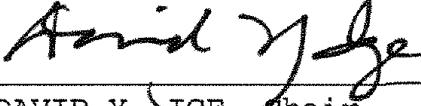


Your Committee has amended this measure by:

- (1) Deleting reference to treating each instance of noncompliance as a separate violation;
- (2) Requiring that each instance of violation of the section be subject to section 431:2-203, Hawaii Revised Statutes, relating to administrative proceedings for enforcement; and
- (3) Replacing the term "noncompliance" with the term "violation" in order to make correct the cross reference to section 431:2-203, Hawaii Revised Statutes, which uses "violates".

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3015, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3015, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
 Committee on Health
 HTH

Bill / Resolution No.:* SB 3015	Committee Referral: HTH	Date: 02-14-08
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The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
FUKUNAGA, Carol (VC)	✓			
BAKER, Rosalyn H.	✓			
MENOR, Ron	✓			
WHALEN, Paul	✓			
TOTAL	5			

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes