

Honolulu, Hawaii
February, 2010

RE: H.B. No. 2208
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 2208
entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to require health insurers to promptly pay claims for services to Medicaid recipients to prevent providers from severe financial difficulties that impact their ability to deliver quality care. Specifically, this bill repeals the exemption for Medicaid claims from the Clean Claims Law.

The Hawaii Primary Care Association, Hawaii Medical Association, Healthcare Association of Hawaii, and Hawaii Pacific Health testified in support of this bill. The Hawaii Medical Service Association opposed this measure. The Department of Commerce and Consumer Affairs, Department of Human Services (DHS), Ohana Health Plan, Kaiser Permanente, and AlohaCare offered comments.

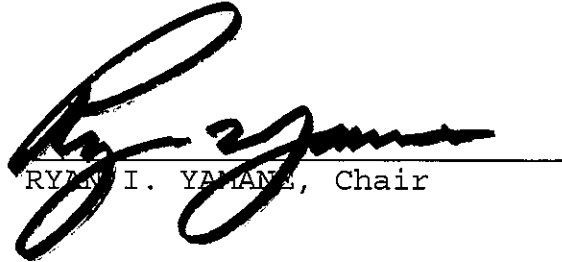
Your Committee has amended this bill by:

- (1) Requiring DHS to pay interest for failing to pay Medicaid health plans in a timely manner; and
- (2) Changing the effective date to July 1, 2020, to facilitate further discussion.



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 H.B. No. 2208, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2208, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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



RYAN I. YAMANE, Chair



