

STAND. COM. REP. NO.

362

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1516
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 1516
entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE ADMINISTRATIVE
UNIFORMITY,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt
collaboration among managed care plans, health care providers, and
government agencies from state antitrust laws when the
collaboration is intended to adopt uniform administrative
procedures to enhance the quality of health care in Hawaii.

Your Committee received testimony in support of this measure
from Hawaii Medical Service Association, Hawaii Medical
Association, and the Healthcare Association of Hawaii.

Your Committee finds that collaborative development of
uniform administrative standards for quality health care measures
could help produce better quality health care that is more cost
effective, while allowing providers to spend more time providing
quality patient care and less time with administrative claims
procedures. To encourage productive discussion and agreements
between health care providers, insurers, and other interested
entities on uniform administrative standards regarding evidence-
based medicine, clinical efficacy, and quality in health claims
processing, such collaboration should be exempt from the State's
unfair competition and antitrust laws, which might otherwise deter
or prevent this type of beneficial cooperation. Based on

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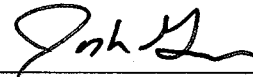
testimony received, your Committee finds that this measure could be improved by opening the discussion to certain parties who have expressed an interest in attending and receiving notifications of these discussions.

Accordingly, your Committee has amended this measure by:

- (1) Adding language requiring that all accident and health or sickness insurers, third party administrators, health care providers or facilities, and managed care plans operating within the State of Hawaii, and the Insurance Division of the Department of Commerce and Consumer Affairs be provided with notice and an opportunity to participate in the collaborative discussions; 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1516, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1516, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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



JOSH GREEN, M.D., Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:
SB1514	HTH, CPN	2/14/11
<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
GREEN, M.D., Josh (C)	✓	
NISHIHARA, Clarence K. (VC)	✓	
BAKER, Rosalyn H.	✓	
CHUN OAKLAND, Suzanne	✓	
SHIMABUKURO, Maile		✓
WAKAI, Glenn		✓
SLOM, Sam	✓	
TOTAL	5	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted	<input type="checkbox"/> Not Adopted	
Chair's or Designee's Signature:		
<i>Clarence K. Nishihara</i>		
Distribution:	Original File with Committee Report	Yellow Clerk's Office
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*Only one measure per Record of Votes