

STAND. COM. REP. NO.

1014

Honolulu, Hawaii

March 24, 2015

RE: S.B. No. 736

S.D. 1

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 736,  
S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to ensure timely recoupment  
and demand for offset of insurance benefits paid out in error by:

- (1) Requiring an insurer to send written notice to a health care provider at least 30 calendar days prior to any effort to recoup or offset a payment or reimbursement for health care provided to an insured; and
- (2) Prohibiting any recoupment or offset demand efforts more than 18 months after an initial claim payment is received, with specific exceptions, including a 72-month time limit for cases involving insurance fraud.

Hawaii Medical Association, Hawaii Psychological Association, Hawaii Association of Professional Nurses, and Hawaii Medical Service Association supported this measure. The American Congress of Obstetricians and Gynecologists, Hawaii Section testified in support of this measure with amendments.

SB736 HD1 HSCR HLT HMS 2015-2833



Your Committee has amended this measure by changing its effective date to July 1, 2112, 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 S.B. No. 736, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 736, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

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

*Delia A. Belatti*

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DELLA AU BELATTI, Chair



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HSCR1014

**Record of Votes of the Committee on Health**

Bill/Resolution No.: <b>SB 736, SD1</b>	Committee Referral: <b>HLT, JVD</b>	Date: <b>3/20/15</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	✓			
2. CREAGAN, Richard P. (VC)	✓			
3. HASHEM, Mark J.	✓			
4. JORDAN, Jo				✓
5. KOBAYASHI, Bertrand	✓			
6. MORIKAWA, Dee	✓			
7. OSHIRO, Marcus R.	✓			
8. FUKUMOTO CHANG, Beth				✓
9. TUPOLA, Andria P.L.				✓
<b>TOTAL (9)</b>	<b>6</b>			<b>3</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ <div style="text-align: center; font-size: 24pt; font-weight: bold;">[Signature]</div>				
Distribution:    Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				