

STAND. COM. REP. NO.

540

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 174

H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 174, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to promote accessibility to quality health care procedures in the State by requiring health insurance coverage of medically necessary orthodontic treatment of orofacial anomalies.

The Office of the Auditor, State Council on Developmental Disabilities, Hawaii Chapter of the American Academy of Pediatrics, Kapiolani Medical Center for Women & Children, Hawaii Dental Association, Lifetime of Smiles Hawaii, and numerous individuals provided testimony in support of this measure. The Department of Commerce and Consumer Affairs, Department of Health, and Hawaii Medical Service Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing language concerning the benefits that exceed the essential health benefits under the Patient Protection and Affordable Care Act of 2010;

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- (2) Excluding limited benefit health insurance as provided pursuant to section 431:10A-102.5, Hawaii Revised Statutes;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the new mandated coverage may trigger section 1311(d)(3) of the federal Patient Protection and Affordable Care Act which requires states to defray the additional cost of any benefits in excess of the essential health benefits of the state's qualified health plan. Your Committee respectfully requests that your Committee on Finance further examine this issue.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 174, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. McKELVEY, Chair



