

Honolulu, Hawaii
March 2, 2018

RE: H.B. No. 885
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 885, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DELAY IN PRIOR APPROVAL FOR MEDICAL SERVICES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit health insurers from requiring preauthorizations that cause undue delay in patients' medical treatment or services;
- (2) Clarify that insurers shall be civilly liable to patients for injuries that occur because of an undue delay in the receipt of medical treatment or services; and
- (3) Permit health care providers to seek indemnification from insurers for civil liability for injuries to patients that were caused by the insurers' undue delay in preauthorizing medical treatment or services.

Hawaii Chapter of the American Physical Therapy Association, Hawaii Medical Association, Hawaii Radiological Society, Hawaii Vision Clinic, Oahu County Committee on Legislative Priorities of



the Democratic Party of Hawaii, and several individuals supported this measure. AlohaCare, Hawaii Association of Health Plans, and University Health Alliance opposed this measure. The Department of Commerce and Consumer Affairs, Department of Human Services, American Council of Life Insurers, and Hawaii Medical Service Association offered comments for this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 885, H.D. 1, and recommends that it pass Third Reading.

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


SYLVIA LUKE, Chair



