

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2668
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2668, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to limit a patient's out-of-pocket medical costs when services are not covered by the patient's health plan or are provided by a nonparticipating provider.

Specifically, the measure:

- (1) Requires providers to make certain disclosures to patients about nonemergency services that are not authorized under the patient's health care plan, prior to providing the services;
- (2) Requires nonparticipating providers to make certain cost disclosures to patients about nonemergency services, prior to providing the services;
- (3) Places a cap on the amount that a nonparticipating provider may charge a patient for services performed without the approval of the patient's health care plan;
- (4) Protects a patient from being liable to a participating provider for any sums that the patient's insurer fails to pay; and



- (5) Limits a patient's out-of-pocket costs for emergency services that are performed by a nonparticipating provider to the out-of-pocket costs that would have been incurred if the services were performed by a participating provider.

Your Committee received written comments in support of this measure from the Hawaii Medical Service Association.

Your Committee received written comments on this measure from the Healthcare Association of Hawaii and Hawaii Pacific Health.

Your Committee finds that balance or "surprise" billings are generally minimized when medical services are covered under a patient's health care plan and provided by a participating provider. This measure will serve to further promote transparency in the healthcare system by minimizing opportunities for balance billings when medical services are not covered under a patient's health plan or are not provided by a participating provider.

Your Committee has amended this measure by:

- (1) Clarifying that nonparticipating health care providers, health care facilities, and hospitals must all give prior notice to patients or prospective patients of the amount or estimated amount of a bill for non-emergency health care services; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2668, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2668, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

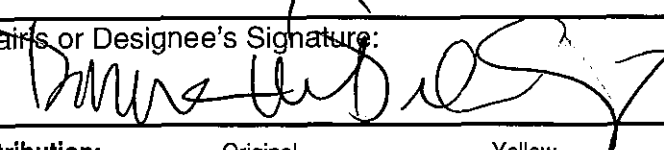


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2668, SDI	CPH/SDL, WAM	2/23/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	9			8
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes