

STAND. COM. REP. NO.

845

Honolulu, Hawaii

March 3, 2017

RE: H.B. No. 552  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 552, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to preserve certain benefits of the federal Patient Protection and Affordable Care Act in the face of the threatened repeal of that Act by Congress.

Specifically, this measure:

- (1) Preserves the individual mandate that requires certain persons to acquire health insurance coverage and imposes corresponding tax penalties for noncompliance;
- (2) Clarifies the minimum requirements for health insurance policies issued in the State, including requirements for coverage of contraceptive and breastfeeding counseling and supplies;
- (3) Preserves the extension of dependents' eligibility for coverage through age 26;



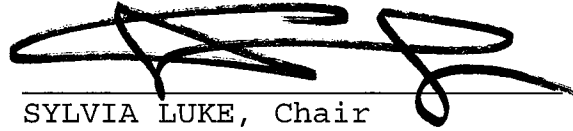
- (4) Preserves prohibitions on exclusion from coverage based on a preexisting condition and on gender-based discrimination in premium and other cost amounts;
- (5) Requires all insurers that issue any health insurance policies, plans, contracts, or agreements in the State that satisfy minimal essential coverage requirements to provide confirmation of that coverage to the individuals covered and to the Department of Taxation; and
- (6) Establishes a Minimum Essential Coverage Premium Supplementation Trust Fund and related procedures to provide premium supplementations to insurers that issue minimal essential coverage at a net financial loss.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; American Diabetes Association; American Heart Association; Planned Parenthood Votes Northwest and Hawaii; The Queen's Health Systems; AAUW Windward; Healthcare Association of Hawaii; March of Dimes Foundation Hawaii; IMUAlliance; Hawaii Psychological Association; Hawaii Women's Coalition; Special Education Advisory Council; International Longshore and Warehouse Union Local 142; LGBT Caucus of the Democratic Party of Hawaii; and numerous individuals testified in support of this measure. The Department of Human Services, Department of Taxation, Department of Commerce and Consumer Affairs, Department of Labor and Industrial Relations, Department of Budget and Finance, Hawaii Employer-Union Health Benefits Trust Fund, Hawaii State Commission on the Status of Women, Hawaii Medical Service Association, Hawaii Section of the American Congress of Obstetricians and Gynecologists, Breastfeeding Hawaii, Hawaii Public Health Institute, Tax Foundation of Hawaii, Kaiser Permanente Hawaii, AARP, and Hawaii Children's Action Network provided comments.

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. 552, H.D. 1, and recommends that it pass Third Reading.



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



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SYLVIA LUKE, Chair



State of Hawaii  
House of Representatives  
The Twenty-ninth Legislature

HSCL 845

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> <span style="font-size: 1.2em;">HB 552, HD1</span>	<b>Committee Referral:</b> <span style="font-size: 1.2em;">HLT/CPU FIN</span>	<b>Date:</b> <span style="font-size: 1.2em;">2/23/17</span>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	✓			
2. CULLEN, Ty J.K. (VC)	✓			
3. CACHOLA, Romy M.	✓			
4. CHOY, Isaac W.	✓			
5. DeCOITE, Lynn	✓			
6. GATES, Cedric Asuega	✓			
7. HOLT, Daniel	✓			
8. KEOHOKALOOLE, Jarrett	✓			
9. KOBAYASHI, Bertrand	✓			
10. LoPRESTI, Matthew S.	✓			
11. LOWEN, Nicole E.	✓			
12. NAKAMURA, Nadine K.	✓			
13. TOKIOKA, James Kunane				✓
14. QUINLAN, Sean	✓			
15. YAMASHITA, Kyle T.	✓			
16. TUPOLA, Andria P.L.	✓			
17. WARD, Gene			✓	
TOTAL (17)	15	0	1	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ <div style="text-align: center; font-size: 1.5em;">Ty J.K. Cullen</div>				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				