

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 1326
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1326 entitled:

"A BILL FOR AN ACT RELATING TO TITLE 24, HAWAII REVISED STATUTES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide amendments to external review procedures to improve consistency with the National Association of Insurance Commissioners Uniform Health Carrier External Review Model Act; and
- (2) Require health insurers, mutual benefit societies, and health maintenance organizations to cover mandated services for mammography at least as favorably as coverage for other radiological examinations.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Hawai'i Women Lawyers.

Your Committee finds that the State's external review process for health plans, codified in chapter 432E, Hawaii Revised Statutes, Part IV, is based largely on the National Association of Insurance Commissioners Uniform Health Carrier External Review



Model Act (Model Act). However, state law and the Model Act differ significantly with respect to external review, or situations where an insured seeks an independent review of a health insurer's decision to refuse to pay for or authorize a treatment or service. Existing law compels the Insurance Commissioner to follow a procedure that requires rendering a determination as to whether an enrollee is eligible for external review, regardless of whether there is sufficient information or whether the determination is complicated by issues outside the Insurance Commissioner's jurisdiction. This measure will align state law with the Model Act, which provides the Insurance Commissioner with permissive authority to send a case to external review if the Commissioner determines that the case is eligible. This measure also clarifies that health plans must provide any documents they have received related to an external review request to the independent review organization assigned to conduct an external review.

Your Committee also finds that mammograms are effective in detecting breast cancer at an early stage, which is when treatment is most likely to be successful. However, there are many barriers that prevent women from seeking and obtaining routine screening. Without favorable coverage under insurance plans, women are often faced with having to choose between having to pay for what is generally seen as an "elective procedure" and other important expenses, like rent or buying food for their families. Accordingly, this measure requires that insurers, mutual benefit societies, and health maintenance organizations cover mandated services for mammography at least as favorably as coverage for other radiological examinations.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1326, as amended herein, and recommends that



it pass Second Reading in the form attached hereto as S.B. No. 1326, S.D. 1, and be referred to your Committee on Ways and Means.

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



BARRETT KEOHOKALOLE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB1326	Committee Referral: CPN, WAM	Date: 02/7/2023		
<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 <small>2312</small>				
<input checked="" type="checkbox"/> Pass, with amendments <small>2311</small>				
<input type="checkbox"/> Hold <small>2310</small>				
<input type="checkbox"/> Recommit <small>2313</small>				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
TOTAL	5	0	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Carol Fukunaga</i>				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes