

STAND. COM. REP. NO.

217

Honolulu, Hawaii

Feb 9, 2007

RE: H.B. No. 1476

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1476  
entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this bill is to require the Insurance  
Commissioner to administer a health insurance purchasing pool that  
will provide health insurance coverage to employees who are not  
eligible for coverage under the Hawaii Prepaid Health Care Act.

Specifically, this measure requires the Insurance  
Commissioner to contract with health care plan carriers to provide  
such health care coverage at premium levels that do not exceed one  
hundred and ten per cent of the median price of health insurance  
offered in the State. Furthermore, this measure requires the  
Insurance Commissioner to subsequently use a bid process to  
transfer administrative and fiscal responsibility for the program  
to a nonprofit entity. This bill also establishes a special fund  
to finance the operations of the health insurance purchasing pool.

Testimony in support of the measure was received from the  
Hawaii Association of Realtors. Testimony in opposition to the  
portion of the measure that exempts the purchasing pool from the  
procurement code was received from the State Procurement Office.  
Comments on the measure were received from the Insurance  
Commissioner, the Hawaii Medical Service Association, and Kaiser  
Permanente.

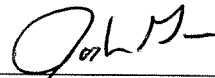


Your Committee finds that a significant number of employees in the private sector are not covered by health insurance despite the success of the Hawaii Prepaid Health Care Act. Specifically, these employees include, but are not limited to, part-time or seasonal employees, and employees of family businesses. Your Committee finds that this measure will ensure that health insurance is made both available and affordable to the presently uninsured.

Your Committee notes that the Insurance Commissioner supports the concept of the bill but expressed concerns that, if enacted in its present form, the measure may have unintended consequences and raise issues of conflict with regard to the Insurance Commissioner's role as contemplated by the measure. Your Committee takes the Insurance Commissioner's concerns under advisement and will hereafter work with the Insurance Commissioner and other committees to resolve the matter accordingly.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1476 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

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



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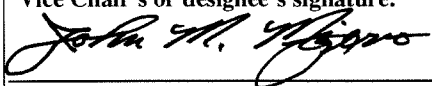
JOSHUA B. GREEN, M.D., Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HSC 217

**Record of Votes of the Committee on Health**

Bill/Resolution No.: <b>HB 1476</b>	Date: <b>2-02-07</b>			
Committee Referral: <b>HLT, CDC, FIN</b>	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. GREEN, Josh, M.D. (C)	✓			
2. MIZUNO, John (VC)	✓			
3. BELATTI, Della Au	✓			
4. BERTRAM, Joe, III	✓			
5. CABANILLA, Rida T.R.	✓			
6. RHOADS, Karl	✓			
7. SHIMABUKURO, Maile S. L.	-			✓
8. TAKAI, K. Mark	✓			
9. TOKIOKA, James Kunane	✓			
10. AWANA, Karen Leinani	✓			
11. WARD, Gene, Ph.D.	✓			
<b>TOTAL</b>	<b>10</b>			<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution:      Original (White) – Committee      Duplicate (Yellow) – Clerk's Office				