

STAND. COM. REP. NO. 648-08

Honolulu, Hawaii
Feb 15, 2008

RE: H.B. No. 2291
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2291, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to expand access to health care by establishing a state agency to develop plans for universal health care coverage.

The Hawaii Medical Service Association testified in support of the intent of this bill. The Department of Commerce and Consumer Affairs, Department of Budget and Finance, Hawaii Medical Association, Healthcare Association of Hawaii, and Hawaii Association of Health Plans opposed this measure. The Department of the Attorney General submitted comments.

Your Committee has amended this bill by replacing its entire contents with provisions that address the growing shortage of physicians by, among other things:

- (1) Prohibiting insurers from preventing health care providers from passing on the cost of medical malpractice insurance premiums exceeding \$15,000 annually in the form of a patient surcharge of up to \$10 per office visit and \$100 per surgical procedure;


HB2291 HD2 HSCR CPC HMS 2008-2179



- (2) Requiring insurers, after receiving a claim for the payment of benefits, to make direct payment to the health care provider that provided the services;
- (3) Exempting the direct insurer payments to health care providers from the general excise tax;
- (4) Limiting noneconomic damages that may be awarded in medical tort actions;
- (5) Defining "economic damages" for medical tort actions;
- (6) Providing that noneconomic and economic damages are to be allocated in medical tort actions based upon the health care provider's proportionate percentage of negligence or other fault; and
- (7) Providing that medical torts only include the rendering of professional services within the scope of services for which the health care provider is licensed and not within any restriction imposed by the licensing agency or licensed hospital.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2291, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 2291, H.D. 2.

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



ROBERT N. HERKES, Chair



HSCR 648-08

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 2291, HD1 (HSCR 182-08)	Committee Referral: HLTH, CPC, FIN	Date: 02/13/08
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	✓			
2. McKELVEY, Angus L.K. (VC)	✓			
3. EVANS, Cindy		✗		
4. GREEN, Josh, M.D.	✓			
5. ITO, Ken	✓			
6. LUKE, Sylvia		✗		
7. MORITA, Hermina M.		✓		
8. SONSON, Alex M.				✗
9. SOUKI, Joseph M.	✓			
10. TSUJI, Clift		✓		
11. YAMANE, Ryan I.	✗			
12. YAMASHITA, Kyle T.	✓			
13. MARUMOTO, Barbara C.	✓			
14. THIELEN, Cynthia	✓			
TOTAL (14)	9	4	0	1

The recommendation is: Adopted Not Adopted
 If joint referral, _____ committee acronym(s) _____ did not support recommendation.

Vice Chair's or designee's signature: _____

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