



HPCA

HAWAI'I PRIMARY CARE ASSOCIATION

House Committee on Health

The Hon. Ryan I. Yamane, Chair

The Hon. Dee Morikawa, Vice Chair

Testimony in Support of House Bill 2114
Relating to the Hawaii Health Insurance Exchange
Submitted by Robert Hirokawa, Chief Executive Officer
January 24, 2012, 10:00 a.m., Room 329

The Hawai'i Primary Care Association, which represents community health centers in Hawai'i, **strongly supports House Bill 2114**, a bill which recognizes the true intent of the Affordable Care Act's health insurance exchange provision. This bill clarifies and codifies the role of consumers in the health insurance exchange board, removes clear conflicts of interest present in the existing exchange board structure, and addresses the potential coverage status of thousands who will soon have their Med-QUEST dropped.

Health insurance exchange boards are ultimately responsible for certifying whether health plans are able to participate in the process, and also to ensure that plan rates are not unreasonable. There is a natural conflict of interest, then, to have potential financial beneficiaries of these decisions – that is, the health plans themselves – sitting on the exchange board in a permanent capacity. This is why regulations drafted by the federal Department of Health and Human Services specifically emphasized the role of consumers, and why twenty one (21) other states forbid insurers and their agents from serving on the insurance exchange board.

There is no doubt that the level of expertise Hawai'i's health plans possess can help make the health insurance exchange in our state strong, viable, and responsive. Including health plans in an advisory capacity, also as recommended by the Department of Health and Human Services, would ensure that their guidance can be considered without running afoul of the true intent of this important body's work.

We urge you to pass this measure out of committee and thank you for the opportunity to testify.