Testimony Presented Before the
House Committee on Finance
Tuesday, April 1, 2014 at 2:00 p.m.
by
Dr. Carl Bonham, Executive Director
University of Hawaii Economic Research Organization

SB 2054 SD3 HD2 - RELATING TO HEALTH

Chair Luke, Vice Chairs Nishimoto and Johanson, and Members of the Committee:

Thank you for the opportunity to submit testimony regarding SB 2054 SD3 HD2, which seeks to ensure quality health care for all by requiring that insurance policies in Hawai'i provide coverage for the treatment of autism spectrum disorders. As the executive director of the University of Hawai'i Economic Research Organization (UHERO), I support the intent of this bill. Providing for quality health care and insurance is an important public policy objective. But I do not support the bill in its current form.

The Bill requires that UHERO contract with an actuary to study the costs associated with screening, diagnosis and treatment of autism spectrum disorder as required by the act. Then, based on the findings of the study, UHERO is asked to report to the legislature and to make recommendations or propose legislation. Unfortunately, UHERO does not have the expertise to contribute to this policy discussion and its faculties have no expertise in the economics of insurance markets, in actuarial analysis, or the specific area of insuring patients with autism spectrum disorder. It would be inappropriate for UHERO oversee the contract with an actuary and to make policy recommendations regarding insurance markets.