



HOUSE OF REPRESENTATIVES

STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

06 MAY 24 A11 :28

May 20, 2006

STATE OF HAWAII
STATE ETHICS COMMISSION

COMPLAINANT

Representative Bev Harbin
House of Representatives
District 28
Iwilei, Chinatown, Downtown, Keeaumoku/Kakaako

RESPONDENT

Mark L. Forman
Executive Administrator
HMSA Foundation

VIOLATIONS

1. Complaint for failure to register as Lobbyists and/or comply with the State's Lobbyists Law, Chapter 97, HRS
2. Complaint for failure to comply with the registration requirements of the State Ethics Code, Chapter 84, HRS
3. Complaint for failure to disclose a conflict of interest and operating to the benefit of the HMSA Foundation and the Hawaii Medical Service Association while "on-loan" as an "intern" for the House of Representatives, House Consumer Protection & Commerce Committee of the 2006 Legislature.
4. Complaint for involvement in "Legislative action" by sponsorship, drafting introduction, consideration, modification, enactment, or defeat of any bill, resolution, amendment, report, nomination, appointment, or any other matter pending or proposed in the legislature. (Chapter 97-1(5))

BACKGROUND

The HMSA Foundation was established in 1986 by the Hawaii Medical Service Association to stimulate research of issues that confront Hawaii's health care industry. The HMSA Foundation became a private foundation in 1997. Mark L. Forman is the Executive Administrator of the HMSA Foundation. Robert P. Hiam

is the President of the HMSA Foundation and is also a member of the Board of Directors for the HMSA Foundation.

Hawaii Medical Service Association (HMSA) is a nonprofit, mutual benefit society founded in 1938 and is the most experienced provider of health care coverage in the state of Hawaii. Of the 2.4 billion dollars a year paid by Hawaii's businesses, HMSA receives approximately 1.8 billion.

Robert P. Hiam, while the President and a member of the Board of Directors of the HMSA Foundation, is also the President & Chief Executive Officer of HMSA and a member of the Board of Directors for HMSA.

The HMSA Foundation, HMSA, and/or its interlocking directors, placed Mark L. Forman as a full time "embedded lobbyist or intern" in the Consumer Protection & Commerce Committee.

The HMSA Foundation, HMSA, and/or its interlocking directors, through the HMSA Foundation, paid the full time salary and benefits of Mark L. Forman as their employee while "loaning" or "embedding" him as an intern or lobbyist in the CPC Committee.


The CPC committee had the oversight or leadership control over numerous measures that impacted HMSA. Among some of the more important measures are as follows:

1. Extension of the Health Care Rate Regulation oversight by the Insurance Commissioner.
2. Patient's Bill of Rights and the rights of government employees and retirees to appeal a denial of benefits by HMSA to the Insurance Commissioner.
3. Non-Profit, member-owned health plans (such as HMSA) should be reviewed by the Insurance Commission to insure that the plans are governed by the members for the benefit of the members.
4. Expansion of coverage to part time workers and sole proprietors.
5. Medical Malpractice Reform.


STATE OF HAWAII)

CITY AND COUNTY OF HONOLULU) :

BEV HARBIN being first duly sworn on oath deposes and says that she ha read the foregoing Complaint against Mark L. Forman, knows the contents, and verifies that the statements are true to her personal knowledge and belief.


Bev Harbin

Subscribed and sworn to before me
This ____ day of 2006 **MAY 24 2006**


Notary Public **BRENDA AU**

My Commission Expires MAY 17 2008

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