

JAN 25 2006

---

---

# A BILL FOR AN ACT

RELATING TO THE HAWAII CHILDREN'S HEALTH CARE PROGRAM.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Although estimates of the rate of uninsured  
2 children in the State vary, one thing that can be agreed upon is  
3 that there is a gap group that is ineligible for any state or  
4 federal health care coverage. Children who remain uninsured  
5 typically do not receive appropriate levels of medical care and  
6 prevention. Children who lack a source of care or must turn  
7 regularly to a hospital emergency department are unlikely to  
8 receive preventive care or early and regular management of acute  
9 or chronic health conditions.

10           A study performed by the Urban Institute, a nonpartisan  
11 economic and social policy research organization, showed that,  
12 regardless of age, race, ethnicity, income or health status,  
13 uninsured children were much less likely to have received a  
14 well-child checkup within the past year and were more likely  
15 than insured children to report an unmet need for medical care  
16 that was associated with concerns about cost.

17           Health insurance helps children and youth get regular  
18 health care so they can participate in school and other



1 activities. Often parents experience hardship when a child is  
2 sick because of the added stress of medical bills if the child's  
3 health care costs are not covered.

4 The Hawaii Medical Service Association offers a children's  
5 plan that covers certain preventive services, immunizations,  
6 doctor visits, diagnostic tests, emergency care, mental health  
7 benefits, and some prescription drugs.

8 The State has the opportunity to enter into a unique  
9 public-private partnership with the Hawaii Medical Service  
10 Association to help those children in the gap group receive  
11 health care coverage. This partnership will allow the State to  
12 offer coverage to uninsured children under the Hawaii Medical  
13 Service Association's children's plan. The cost of the premium  
14 will be split equally between the Hawaii Medical Service  
15 Association and the State.

16 The purpose of this Act is to establish the Hawaii  
17 children's health care program, as a temporary three-year pilot  
18 program, to provide health care coverage to uninsured children.

19 **SECTION 2. Hawaii children's health care program; three-**  
20 **year pilot program; establishment.** (a) There is created the  
21 Hawaii children's health care program, as a temporary three-year  
22 pilot program, to provide health care coverage to uninsured



1 children. The program shall provide health care coverage  
2 through a public-private partnership between the department of  
3 human services on behalf of the State and a mutual benefit  
4 society, operating in the State under chapter 432, Hawaii  
5 Revised Statutes, that offers accident and health or sickness  
6 insurance plans.

7 (b) To qualify for this program, a child shall:

8 (1) Be a Hawaii resident continually for at least six  
9 months and be between the ages of three months to  
10 eighteen years;

11 (2) Have been uninsured continually for at least six  
12 months; and

13 (3) Be ineligible to qualify for any other state or  
14 federal health care coverage.

15 (c) The Hawaii Medical Service Association's children's  
16 plan shall serve as the model health insurance plan for this  
17 program. Other mutual benefit societies may partner with the  
18 State to offer coverage to uninsured children; provided that the  
19 plan benefits shall be equal to or better than those offered in  
20 the Hawaii Medical Service Association's children's plan.

21 (d) For each child enrolled in the children's health care  
22 program offered by a mutual benefit society while this Act is in



1 effect, the State, through the department of human services, and  
2 the mutual benefit society shall share equally the cost of the  
3 premiums.

4 (e) Payments shall be made by the State, through the  
5 department of human services, on a quarterly basis to any mutual  
6 benefit society offering the children's health care program.

7 (f) Each participating mutual benefit society shall  
8 provide a quarterly report to the department of human services  
9 and the legislature of the number of children enrolled in the  
10 children's health care program.

11 (g) The Hawaii children's health care program shall  
12 terminate on June 30, 2009.

13 SECTION 3. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$ , or so  
15 much thereof as may be necessary for fiscal year 2006-2007, for  
16 the Hawaii children's health care program pursuant to this Act.  
17 The sum appropriated shall be expended by the department of  
18 human services for the purposes of this Act.

19 SECTION 4. This Act shall take effect on July 1, 2006, and  
20 shall be repealed on June 30, 2009.

21

*Ron Williams*

INTRODUCED BY:

*Rosely H Baker*

*Franklin*

*Don Kanno*

SB LRB 06-0646-1.doc



*M. S. T.*

*and Phineas*

*Gayle Hoer*

*Elizabeth Chun Oakland*

S.B. NO. 3259

Russell. Kohl

Russell



**Report Title:**

Children's Health Care Program

**Description:**

Creates a temporary 3-year Hawaii children's health care program in which the DHS pays half the premiums for health care for uninsured children to a mutual benefit society, based on HMSA's children's plan model. Appropriates \$            for FY 2006-2007. Repealed 6/30/09.

