
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to article 10A to be
3 appropriately designated and to read as follows:

4 "§431:10A- Group health care coverage; part-time
5 employees. An insurer that provides health care coverage to the
6 regular employees of any group or association shall offer the
7 same coverage to part-time employees of that group or
8 association; provided that the group or association shall not be
9 required by this section to pay any part of the premium for that
10 coverage.

11 For the purposes of this section:

12 "Group or association" shall not include any state or
13 political subdivision of any state, or instrumentality thereof.

14 "Health care" includes hospitalization, surgery, medical or
15 nursing care, drugs, or other restorative appliances.

16 "Part-time employee" means a person employed in the
17 employment of a single employer for at least fifteen, but less



1 than twenty hours per week.

2 "Regular employee" means a person employed in the
3 employment of a single employer for at least twenty hours per
4 week."

5 SECTION 2. Chapter 432, Hawaii Revised Statutes, is
6 amended by adding a new section to article 1 to be appropriately
7 designated and to read as follows:

8 "§432:1- Group health care coverage; part-time
9 employees. A mutual benefit society whose hospital and medical
10 service corporation contract provides health care coverage for
11 the regular employees of any group or association shall offer
12 the same coverage to part-time employees of that group or
13 association; provided that the group or association shall not be
14 required by this section to pay any part of the premium for that
15 coverage.

16 For the purposes of this section:

17 "Group or association" shall not include any state or
18 political subdivision of any state, or instrumentality thereof.

19 "Health care" includes hospitalization, surgery, medical or
20 nursing care, drugs, or other restorative appliances.



1 "Part-time employee" means a person employed in the
2 employment of a single employer for at least fifteen, but less
3 than twenty hours per week.

4 "Regular employee" means a person employed in the
5 employment of a single employer for at least twenty hours per
6 week."

7 SECTION 3. Chapter 432D, Hawaii Revised Statutes, is
8 amended by adding a new section to be appropriately designated
9 and to read as follows:

10 **"§432D- Group health care coverage; part-time**
11 **employees.** A health maintenance organization that issues a
12 policy, contract, plan, or agreement in the state that provides
13 health care coverage for the regular employees of any group or
14 association shall offer the same coverage to part-time employees
15 of that group or association; provided that the group or
16 association shall not be required by this section to pay any
17 part of the premium for that coverage.

18 For the purposes of this section:

19 "Group or association" shall not include any state or
20 political subdivision of any state, or instrumentality thereof.

21 "Health care" includes hospitalization, surgery, medical or
22 nursing care, drugs, or other restorative appliances.



1 "Part-time employee" means a person employed in the
2 employment of a single employer for at least fifteen, but less
3 than twenty hours per week.

4 "Regular employee" means a person employed in the
5 employment of a single employer for at least twenty hours per
6 week."

7 SECTION 4. The Hawaii insurance commissioner shall prepare
8 a report of the costs and benefits of sections 1, 2, and 3 of
9 this Act. The report shall be prepared with the cooperation and
10 assistance of the disability compensation division of the
11 department of labor and industrial relations. The report shall
12 include:

- 13 (1) An evaluation of the success of this Act in providing
14 part-time employees with access to health care
15 coverage;
- 16 (2) An evaluation of the costs to employees, employers,
17 and insurers, of providing that coverage;
- 18 (3) Any recommendations concerning this Act; and
- 19 (4) Any other information necessary for a reasonable
20 assessment of the costs and benefits of this Act to be
21 made, and to allow health care coverage to be made



1 available to part-time employees at the lowest
2 possible cost.

3 Each insurer subject to this Act shall submit, at the time
4 and in the form prescribed by the insurance commissioner, the
5 information deemed necessary by the insurance commissioner to
6 complete the report required by this section. In obtaining such
7 information, the insurance commissioner shall seek to minimize
8 an insurer's cost of compliance.

9 The insurance commissioner shall report findings,
10 recommendations, and any proposed legislation to the legislature
11 not later than twenty days before the convening of the regular
12 session of 2010.

13 SECTION 5. New statutory material is underscored.

14 SECTION 6. This Act shall take effect on January 1, 2009;
15 provided that section 4 shall take effect upon approval of this
16 Act; provided further that this Act shall be repealed on July 1,
17 2010.

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INTRODUCED BY: Cedric H. Bay

JAN 15 2008



Report Title:

Group Health Insurers; Coverage for Part-time Employees.

Description:

Requires insurers that offer health care coverage to the regular employees of any group or association to offer the same coverage to part-time employees working at least 15 hours per week; insurance commissioner to report on Act's cost-benefit to the 2010 legislature; sunsets July 1, 2010.

