
A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

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

1 SECTION 1. (a) There is established the state health
2 authority task force. The task force shall research, evaluate,
3 and develop a comprehensive plan that establishes the state
4 health authority, a single state agency that shall be
5 responsible for the overall health planning for the State and
6 shall be responsible for determining future capacity needs of
7 health providers, facilities, equipment, and support services
8 providers.

9 (b) The task force shall be composed of eleven members,
10 three to be appointed by the governor, three appointed by the
11 president of the senate, and three appointed by the speaker of
12 the house of representatives. The remaining two shall be
13 appointed by the governor from the health care industry. There
14 shall also be three ex officio members who are:

15 (1) The director of health or the director's designee;

16 (2) The director of business, economic development, and

17 tourism or the director's designee; and



1 (3) The insurance commissioner or the insurance
2 commissioner's designee.

3 (c) The task force shall research, evaluate, and develop a
4 plan for the state health authority that includes:

5 (1) Providing state-funded health insurance for
6 individuals with incomes up to three hundred per cent
7 of the federal poverty level who are otherwise
8 eligible for benefits under the state's medicaid
9 programs, including QUEST;

10 (2) Adopting all optional services allowed under the
11 medicaid programs; and

12 (3) Providing the board of trustees of the Hawaii
13 employer-union health benefits trust fund authority to
14 transfer moneys from the respective funds to the
15 authority.

16 (d) The task force shall develop a plan that enables the
17 state health authority to purchase all health care based on
18 assessing the feasibility of:

19 (1) Reimbursing all certified health care providers at a
20 rate to be determined by the authority within thirty
21 days of the provision of care;



- 1 (2) Establishing an employer health insurance assessment
- 2 formula to collect from each employee earning a wage
- 3 or salary in the State that is based on a percentage
- 4 of the employee's monthly or hourly wage; and
- 5 (3) Collecting or receiving, for purposes of funding the
- 6 authority's purchase of health care, the following:
- 7 (A) The employer health insurance assessment for each
- 8 individual who earns a wage or salary in the
- 9 State, including the current medical portion of
- 10 workers' compensation insurance;
- 11 (B) Federal medicaid matching funds;
- 12 (C) State general fund appropriations;
- 13 (D) Self-employed health insurance assessments from
- 14 individuals who are self-employed, as
- 15 differentiated from the employee health insurance
- 16 assessment; and
- 17 (E) Individual monthly dues and the medical payment
- 18 portions as determined by audit of 2002 premiums
- 19 covering:
- 20 (i) Automobile insurance policy premiums;
- 21 (ii) Public liability insurance premiums; and
- 22 (iii) Homeowners insurance policy premiums;



1 paid to the authority by insurance carriers on a
2 monthly basis.

3 (e) The task force shall develop a detailed plan to enable
4 the state health authority to purchase all health care for all
5 residents of the State no later than January 1, 2010.

6 (f) The task force shall also:

7 (1) Reevaluate the Prepaid Health Care Act and search for
8 other viable options for universal health care
9 coverage; and

10 (2) Determine a funding mechanism using the employees,
11 medicaid waiver funds, appropriations, and the health
12 benefits portion of different types of insurance
13 including homeowners, automobile, and liability
14 insurance to draw on federal matching funds.

15 (g) The task force shall submit its final report,
16 including findings, recommendations, and proposed legislation to
17 the legislature no later than twenty days prior to the convening
18 of the regular session of 2009.

19 (h) The task force shall convene its first meeting no
20 later than July 15, 2008 and shall terminate on June 30, 2009.

21 SECTION 2. This Act shall take effect on July 1, 2008.



Report Title:

State Health Authority Task Force

Description:

Establishes the state health authority task force to develop a plan that establishes a single state agency, the state health authority, to provide medical assistance for all citizens of Hawaii. (SD1)

