
A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND.

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

1 SECTION 1. The purpose of this Act is to address the
2 Hawaii employer-union health benefits trust fund. More
3 specifically, this Act:

4 (1) Prohibits the health benefits plan of the trust fund
5 from providing dental or vision benefits from July 1,
6 2009 until June 30, 2015; and

7 (2) Allows the board of trustees of the trust fund to make
8 available dental and vision plans to public employees
9 at no cost to employers during that period.

10 This Act also makes conforming amendments to the voluntary
11 employee's beneficiary association statute.

12 SECTION 2. Chapter 87A, Hawaii Revised Statutes, is
13 amended by adding a new section to part III to be appropriately
14 designated and to read as follows:

15 "§87A- Dental and vision benefits plans; no cost to
16 employers. (a) From July 1, 2009 until June 30, 2015, the



1 board may offer dental and vision benefits plans to employee-
2 beneficiaries at no cost to the employers.

3 (b) The board shall establish the dental and vision
4 benefits plans, which shall be exempt from the minimum group
5 requirements of article 10A of chapter 431. The dental and
6 vision benefits plans shall provide, pay for, arrange for, or
7 reimburse the costs of dental services and vision services.

8 (c) The board may contract for the dental and vision
9 benefits plans. Each employee-beneficiary enrolled in the plans
10 shall pay monthly contributions directly to the board's
11 designated carriers. The monthly contributions shall include
12 the carrier's administrative costs."

13 SECTION 3. Section 87A-1, Hawaii Revised Statutes, is
14 amended by amending the definition of "health benefits plan" to
15 read as follows:

16 ""Health benefits plan" means:

17 (1) A group insurance contract or service agreement that
18 may include medical, hospital, surgical, and
19 prescribed drugs [~~, vision, and dental~~] services, in
20 which a carrier agrees to provide, pay for, arrange
21 for, or reimburse the cost of the services as
22 determined by the board; or



1 (2) A similar schedule of benefits established by the
2 board and provided through the fund on a self-insured
3 basis.

4 The term shall not include any insurance contract, service
5 agreement, or schedule of benefits that includes dental or
6 vision services."

7 SECTION 4. Section 87D-1, Hawaii Revised Statutes, is
8 amended by amending the definition of "employee welfare benefit
9 plan" to read as follows:

10 "Employee welfare benefit plan" or "plan" shall mean any
11 plan, fund, or program which is established by the trust for the
12 purpose of providing participants or their beneficiaries,
13 through the purchase of insurance or otherwise, medical,
14 surgical, or hospital care or benefits, or benefits in the event
15 of sickness, accident, disability, or death[-], but not dental
16 or vision benefits."

17 SECTION 5. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 6. This Act shall take effect on July 1, 2009 and
20 shall be repealed on June 30, 2015; provided that the definition
21 of "health benefits plan" under section 87A-1, Hawaii Revised



H.B. NO. 1727

1 Statutes, is reenacted in the form in which it read on the day
2 before the effective date of this Act.

3

INTRODUCED BY:

Calvin K. Ay

JAN 28 2009



Report Title:

Public Employees' Health Benefits Plan; Exclusion of Dental and Vision Coverage

Description:

Prohibits the health benefits plan of the employer-union health benefits trust fund from providing dental and vision coverage from 07/01/2009 until 06/30/2015. Allows the board of trustees to make dental and vision benefits available to employee-beneficiaries at no cost to the employers.

