
A BILL FOR AN ACT

RELATING TO TEMPORARY HEALTH INSURANCE FOR UNEMPLOYED PERSONS.

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

1 SECTION 1. A number of Hawaii-based companies have closed
2 or filed for bankruptcy in 2008, resulting in layoffs and
3 furloughs. Employees of large, well-established companies
4 including airlines, cruise lines, agricultural companies, and
5 retailers, as well as small businesses, have been drastically
6 affected by the economic downturn.

7 In December 2008, the State reached a nine-year high
8 unemployment rate of 4.9 per cent. Over thirty-two thousand
9 individuals were unemployed in November 2008, an increase of
10 over two thousand from the previous month. By comparison, only
11 eighteen thousand eight hundred fifty individuals were
12 reportedly unemployed in late 2007.

13 The downturn in nearly every private-sector industry has
14 caused significant numbers of Hawaii residents to be victims of
15 employment furloughs, layoffs, reduced work hours, and
16 terminations. While these individuals may obtain some financial
17 relief through unemployment insurance benefits, they may not be
18 able to continue their health care insurance coverage.



1 The purpose of this Act is to help unemployed individuals
2 to maintain their health care coverage by providing a temporary
3 health insurance program.

4 SECTION 2. (a) There is established the temporary health
5 insurance for unemployed persons program within the department
6 of human services to provide temporary healthcare coverage for
7 persons who have become unemployed on or after March 31, 2008.

8 (b) To be eligible to participate in this program, the
9 individual shall:

10 (1) Have lost the individual's health insurance as a
11 result of a furlough, a layoff, reduced work hours, or
12 termination of employment on or after March 31, 2008;

13 (2) Not be eligible for any health insurance coverage from
14 another source; and

15 (3) Agree to pay for the costs of the individual's health
16 insurance premium.

17 (c) This program shall have a benefit package similar to
18 the basic benefits provided by the department of human services'
19 QUEST-Net program and shall be administered by the department of
20 human services.

21 SECTION 3. (a) If an individual is entitled to continue
22 health insurance coverage pursuant to the Consolidated Omnibus



1 Budget Reconciliation Act, the individual may apply for
2 reimbursement of payments made to continue the individual's
3 health insurance medical and prescription drug coverage up to
4 the following monthly amounts:

5 Individual: \$125.00

6 Family: \$315.00

7 (b) The total reimbursement an individual may collect
8 under this section shall be equal to the specified maximum for
9 up to three months of coverage from the effective date of the
10 individual's loss of coverage.

11 (c) An individual is eligible for reimbursement of
12 payments if:

13 (1) The individual became unemployed, was furloughed, or
14 suffered a reduction of work hours that has resulted
15 in the loss of the individual's employment-related
16 group health insurance that occurred on or after March
17 31, 2008, and the individual is ineligible for any
18 other insurance coverage through the individual's
19 spouse or parents;

20 (2) The individual is entitled to continue health
21 insurance coverage pursuant to the Consolidated
22 Omnibus Budget Reconciliation Act;



1 (3) The individual is not eligible for any other
2 employment-related group health coverage reimbursement
3 or subsidy to assist the individual with group health
4 insurance coverage;

5 (4) The individual discloses and certifies in writing the
6 amount paid by the individual for prescription and
7 medical coverage for the three-month period beginning
8 on the effective date of the individual's loss of
9 coverage; and

10 (5) The individual's employer certifies in writing that
11 the individual is not entitled to any other subsidy
12 offered by the employer or the employer's health
13 insurer.

14 SECTION 4. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2009-2010 and
17 the sum of \$ or so much thereof as may be necessary
18 for fiscal year 2010-2011 to administer the temporary health
19 insurance for unemployed persons program established under this
20 Act.

21 The sums appropriated shall be expended by the department
22 of human services for the purposes of this Act.



1 SECTION 5. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2009-2010 for
4 the reimbursement of payments for persons entitled to continue
5 health insurance coverage pursuant to the Consolidated Omnibus
6 Budget Reconciliation Act made under this Act.

7 The sum appropriated shall be expended by the department of
8 labor and industrial relations for the purposes of this Act.

9 SECTION 6. This Act shall take effect on July 1, 2020, and
10 shall be repealed on June 30, 2010.



Report Title:

Temporary Health Insurance for the Unemployed; Appropriations

Description:

Establishes a temporary health insurance program for unemployed individuals. Appropriates unspecified funds. Effective July 1, 2020. (HB697 HD1)

