
HOUSE RESOLUTION

REQUESTS THE OFFICE OF THE AUDITOR TO REVIEW AND COMPARE THE HEALTH CARE BENEFITS AVAILABLE UNDER THE MEDICAID PROGRAM, THE PREPAID HEALTH CARE ACT, AND THE HEALTH CARE PROGRAMS OF THE EMPLOYER-UNION TRUST FUND.

1 WHEREAS, under the Hawaii Prepaid Health Care Act, many
2 employees and their families are able to receive health care
3 benefits by paying for a portion of the health care premium with
4 the remainder being paid for by their employers; and

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6 WHEREAS, despite the broad coverage of the Hawaii Prepaid
7 Health Care Act, there are still many employees who are not able
8 or eligible to receive health care benefits; and

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10 WHEREAS, employees of the State of Hawaii and the counties
11 are able to receive health care benefits for themselves and
12 their families through health care plans offered by the
13 Employer-Union Trust Fund (EUTF) by paying for a portion of the
14 premium in a manner similar to the Hawaii Prepaid Health Care
15 Act with the State and counties paying the remainder; and

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17 WHEREAS, the State of Hawaii and the counties, as the
18 former employers of state and county retirees, provide health
19 care plans through the EUTF by paying all or part of the health
20 care premium for eligible retirees and their families; and

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22 WHEREAS, the State of Hawaii and the counties pay hundreds
23 of millions of dollars in health care premiums for their
24 employees and retirees through the EUTF without being able to
25 leverage these funds to keep costs down; and

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27 WHEREAS, under the federal Medicaid program, states can
28 receive a waiver under Section 1115, U.S.C.A. Title 42, to
29 expand Medicaid coverage to families earning up to three hundred
30 per cent of the federal poverty level; and

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32 WHEREAS, under the Medicaid program, states must contribute
33 a percentage of the funds, known as the state match, to pay for
34 the health care benefits provided; and



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2 WHEREAS, some current public sector employees and many
3 public sector retirees earn less than three hundred per cent of
4 the federal poverty level and the moneys used by the state and
5 counties to pay for health care through the EUTF could be
6 leveraged and used as the state match to provide coverage under
7 Medicaid for eligible public sector employees and retirees; and
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9 WHEREAS, the health care benefits provided under the
10 Medicaid Program are similar to the benefits available under the
11 Prepaid Health Care Act and the health care programs of the
12 EUTF; now, therefore,
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14 BE IT RESOLVED by the House of Representatives of the
15 Twenty-fifth Legislature of the State of Hawaii, Regular Session
16 of 2010, that the Office of the Auditor is requested to review
17 the health care benefits available under the Medicaid Program,
18 the Prepaid Health Care Act, and the health care programs of the
19 EUTF and report where the benefits provided are the same and
20 where they differ, and whether the benefits under the Medicaid
21 Program can be made similar to the benefits available under the
22 Prepaid Health Care Act and the health care programs of the
23 EUTF; and
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25 BE IT FURTHER RESOLVED that the Office of the Auditor is
26 requested to review the scope of the Medicaid Waiver Program or
27 any program in the Medicaid Act which allows for expansion of
28 coverage to determine the feasibility of:
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- 30 (1) Covering private sector employees and their families
31 earning less than three hundred per cent of the
32 federal poverty level under the Medicaid Act
33 regardless of whether the employee is currently
34 covered under the Prepaid Health Care Act;
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- 36 (2) Using the amount of the employer's payment for
37 coverage under the Prepaid Health Care Act to
38 reimburse the State for its portion of the state match
39 in order to pay for coverage of private employees who
40 are eligible for Medicaid because they earn less than
41 three hundred per cent of the federal poverty level;
42
- 43 (3) Covering public sector employees and their families
44 earning less than three hundred per cent of the



federal poverty level under Medicaid regardless of whether the employee is currently covered under health care programs provided by the EUTF;

(4) Covering public sector retirees and their families earning less than three hundred per cent of the federal poverty level under Medicaid regardless of whether the retiree is currently covered under health care programs provided by the EUTF; and

(5) Using state and county funds currently used to pay for the health care programs under the EUTF as the state match for Medicaid; and

BE IT FURTHER RESOLVED that the Office of the Auditor is requested to submit its report to the Legislature on the above matters no later than twenty days prior to the convening of the 2011 Regular Session of the Legislature; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the President of the Senate, the Speaker of the House of Representatives, the State Auditor, and the Director of Health.

Tom Brown

OFFERED BY:

John M. ...

MAR 10 2010

