

MAR 10 2010

SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO REVIEW ALL FEDERAL HEALTH CARE REFORM
LEGISLATION PASSED BY CONGRESS AND ITS EFFECT ON THE HAWAII
PREPAID HEALTH CARE ACT.

1 WHEREAS, on September 2, 1974, Congress enacted the
2 Employment Retirement Income Security Act of 1974, which, among
3 other things, regulates the operation of health benefit plans
4 and preempts all state laws that relate to any employee benefit
5 plan; and
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7 WHEREAS, the Hawaii Prepaid Health Care Act was enacted on
8 June 12, 1974, and operates on an exemption from the Employment
9 Retirement Income Security Act of 1974; and
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11 WHEREAS, the Hawaii Prepaid Health Care Act provides
12 protection against the cost of medical care that may consume all
13 or an excessive part of a person's resources by mandating
14 certain health care benefits for certain employees in Hawaii;
15 and
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17 WHEREAS, national health care reform legislation contains a
18 provision to exempt Hawaii's Prepaid Health Care Act--similar in
19 effect to the exemption from the Employment Retirement Income
20 Security Act--if Hawaii's law provides more benefits than what
21 the eventual federal law would provide; and
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23 WHEREAS, in the event national health care reform becomes a
24 reality, the Legislature must take steps now to ensure it is
25 fully informed of the potential effects on the State's ability
26 to expand the Hawaii Prepaid Health Care Act to cover more
27 people or provide more benefits than under federal law; now,
28 therefore,
29

30 BE IT RESOLVED by the Senate of the Twenty-fifth
31 Legislature of the State of Hawaii, Regular Session of 2010, the
32 House of Representatives concurring, that the Auditor is



1 requested to review all federal health care reform legislation
2 passed by Congress and the potential effect upon the Hawaii
3 Prepaid Health Care Act; and

4
5 BE IT FURTHER RESOLVED that the Auditor is requested to
6 consider:

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8 (1) Whether the Hawaii Prepaid Health Care Act may be
9 expanded to cover more people or provide more benefits
10 under existing federal laws, such as the Employment
11 Retirement Income Security Act of 1974, and under any
12 federal health care reform laws that gain passage; and
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14 (2) Whether the current exemption for the Hawaii Prepaid
15 Health Care Act from the Employment Retirement Income
16 Security Act of 1974 needs to be modified to permit
17 expanding coverage or benefits; and
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19 BE IT FURTHER RESOLVED that the Auditor is requested to
20 report its findings and recommendations, including any necessary
21 proposed legislation, to the Legislature no later than twenty
22 days prior to the convening of the Regular Session of 2011; and
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24 BE IT FURTHER RESOLVED that certified copies of this
25 Concurrent Resolution be transmitted to the Auditor.
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OFFERED BY: *[Signature]*

