
SENATE 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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WHEREAS, some current public sector employees and many public sector retirees earn less than three hundred per cent of the federal poverty level and the moneys used by the state and counties to pay for health care through the EUTF could be leveraged and used as the state match to provide coverage under Medicaid for eligible public sector employees and retirees; and

WHEREAS, the health care benefits provided under the Medicaid Program are similar to the benefits available under the Prepaid Health Care Act and the health care programs of the EUTF; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, that the Office of the Auditor is requested to review the health care benefits available under the Medicaid Program, the Prepaid Health Care Act, and the health care programs of the EUTF and report where the benefits provided are the same and where they differ, and whether the benefits under the Medicaid Program can be made similar to the benefits available under the Prepaid Health Care Act and the health care programs of the EUTF; and

BE IT FURTHER RESOLVED that the Office of the Auditor is requested to review the scope of the Medicaid Waiver Program or any program in the Medicaid Act which allows for expansion of coverage to determine the feasibility of:

- (1) Covering private sector employees and their families earning less than three hundred per cent of the federal poverty level under the Medicaid Act regardless of whether the employee is currently covered under the Prepaid Health Care Act;
- (2) Using the amount of the employer's payment for coverage under the Prepaid Health Care Act to reimburse the State for its portion of the state match in order to pay for coverage of private employees who are eligible for Medicaid because they earn less than three hundred per cent of the federal poverty level;
- (3) Covering public sector employees and their families earning less than three hundred per cent of the federal poverty level under Medicaid regardless of



