

# S.B. NO. 2755

JAN 25 2012

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## A BILL FOR AN ACT

RELATING TO COLLECTIVE BARGAINING COST ITEMS.

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

1           SECTION 1. The purpose of this Act is to provide employer  
2 contribution amounts for plan years 2011-2012 and 2012-2013 for  
3 Hawaii employer-union health benefits trust fund health benefit  
4 plan premiums for public officers and employees pursuant to  
5 section 89-11(g), Hawaii Revised Statutes, due to an impasse in  
6 negotiations on issues involving the employer-union health  
7 benefits trust fund. It is further the purpose of this Act to  
8 provide employer plan contributions of a specific dollar amount  
9 equivalent to fifty per cent of the premium rates established by  
10 the trust fund board for the respective health benefit plan plus  
11 fifty per cent of all administrative fees.

12           SECTION 2. The legislature finds that for the employees of  
13 collective bargaining unit 9 and for state officers and  
14 employees excluded from collective bargaining unit 9 for plan  
15 years 2011-2012 and 2012-2013, subject to the applicable  
16 provisions of chapters 87A and 89, Hawaii Revised Statutes, the  
17 employer monthly contributions to the Hawaii employer-union  
18 health benefits trust fund ("trust fund" or "EUTF") are as  
19 follows:

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1 (1) The amounts paid by the employer in plan years 2011-2012  
 2 and 2012-2013 for July 1, 2011, through December 31, 2011,  
 3 and January 1, 2012, through June 30, 2013, for each  
 4 employee-beneficiary with no dependent-beneficiaries shall  
 5 be:

		TOTAL MONTHLY CONTRIBUTION	
		July to December 2011	January 2012 to June 2013
6	BENEFIT PLAN		
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11	a. Medical (90/10 PPO & Chiro)	\$157.06	\$172.52
12	b. Medical (80/20 PPO & Chiro)	\$151.96	\$164.70
13	c. Medical (Kaiser HMO Comp. & Chiro)	\$190.62	\$217.40
14	d. Medical (Kaiser HMO Basic & Chiro)	\$161.28	\$189.72
15	e. Medical (HMSA HMO & Chiro)	\$213.08	\$226.38
16	f. Medical (HDHP & Chiro)	\$144.32	\$171.20
17	g. Prescription Drug	\$ 35.42	\$ 30.70
18	h. Dental	\$ 16.14	\$ 14.58
19	i. Vision	\$ 3.02	\$ 3.02
20	Dual Coverage		
21	j. Medical (Royal State)	\$ 21.74	\$ 21.72
22	k. Medical (HMSA)	\$112.44	\$104.52

23 (2) The amounts paid by the employer in plan years 2011-2012  
 24 and 2012-2013 for July 1, 2011, through December 31, 2011,  
 25 and January 1, 2012, through June 30, 2013, for each  
 26 employee-beneficiary with one dependent-beneficiary shall  
 27 be:

TOTAL MONTHLY

	BENEFIT PLAN	CONTRIBUTION	
		July to December 2011	January 2012 to June 2013
1			
2			
3			
4			
5	a. Medical (90/10 PPO & Chiro)	\$381.28	\$418.12
6	b. Medical (80/20 PPO & Chiro)	\$368.86	\$399.14
7	c. Medical (Kaiser HMO Comp. & Chiro)	\$462.36	\$527.54
8	d. Medical (Kaiser HMO Basic & Chiro)	\$391.10	\$460.26
9	e. Medical (HMSA HMO & Chiro)	\$517.24	\$548.90
10	f. Medical (HDHP & Chiro)	\$350.74	\$415.10
11	g. Prescription Drug	\$ 85.98	\$ 74.52
12	h. Dental	\$ 32.30	\$ 29.16
13	i. Vision	\$ 5.58	\$ 5.58
14	Dual Coverage		
15	j. Medical (Royal State)	\$ 53.48	\$ 53.40
16	k. Medical (HMSA)	\$273.04	\$253.06

17 (3) The amounts paid by the employer in plan years 2011-2012  
18 and 2012-2013 for July 1, 2011, through December 31, 2011,  
19 and January 1, 2012, through June 30, 2013, for each  
20 employee-beneficiary with two or more  
21 dependent-beneficiaries shall be:

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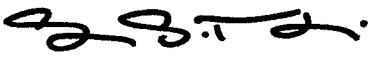
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		TOTAL MONTHLY CONTRIBUTION	
BENEFIT PLAN		July to December 2011	January 2012 to June 2013
a.	Medical (90/10 PPO & Chiro)	\$486.22	\$533.34
b.	Medical (80/20 PPO & Chiro)	\$470.40	\$509.14
c.	Medical (Kaiser HMO Comp. & Chiro)	\$590.06	\$673.24
d.	Medical (Kaiser HMO Basic & Chiro)	\$499.16	\$587.40
e.	Medical (HMSA HMO & Chiro)	\$659.76	\$700.14
f.	Medical (HDHP & Chiro)	\$447.64	\$529.90
g.	Prescription Drug	\$109.76	\$ 95.08
h.	Dental	\$ 53.16	\$ 47.92
i.	Vision	\$ 7.32	\$ 7.30
	Dual Coverage		
j.	Medical (Royal State)	\$ 60.46	\$ 60.36
k.	Medical (HMSA)	\$348.22	\$322.90

(4) For each employee-beneficiary enrolled in the trust fund group life insurance plan, the employer shall pay \$4.16 per month which reflects one hundred per cent of the monthly premium and administrative fees.

SECTION 3. This Act, upon its approval, shall take effect retroactive to July 1, 2011.

INTRODUCED BY: 

BY REQUEST

**Report Title:**

Collective Bargaining Cost Items

**Description:**

Provides Employer contributions amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund health benefit plan premiums for the employees of collective bargaining unit 9 and their excluded counterparts.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Budget and Finance

TITLE: A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS.

PURPOSE: To provide Employer contributions amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund health benefit plan premiums for the employees of collective bargaining unit 9, and for state officers and employees excluded from collective bargaining unit 9.

MEANS: Enactment of bill setting forth the amounts.

JUSTIFICATION: The Employer and the Hawaii Government Employees Association are at impasse in collective bargaining negotiations, regarding contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund ("EUTF") health benefit plan premiums for public officers and employees. Pursuant to section 89-11(g), Hawaii Revised Statutes, the State's proposed contributions are being submitted via this bill. The approved budget for fiscal years 2011-2012 and 2012-2013 provides for 50 per cent-50 per cent employer-employee contributions. This bill provides contributions consistent with the budgeted amounts.

Impact on the public: Employer-Union Health Benefits Trust Fund appropriations are based on 50 per cent employer 50 per cent employee contributions. Achieving the targeted savings in EUTF premium payments is required as part of the overall plan to balance the State budget.

Impact on the department and other agencies:  
The Employer-Union Health Benefits Trust

Fund appropriations in the Department of Budget and Finance for Act 164, Session Laws of Hawaii 2011, are based on 50 per cent employer 50 per cent employee contributions. This will make the employer contributions consistent with the budget.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: Not applicable.

OTHER AFFECTED  
AGENCIES: Judiciary, Hawaii Health Systems Corporation, and Department of Education.

EFFECTIVE DATE: Retroactive to July 1, 2011.