

STAND. COM. REP. NO.

1246

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 1041  
H.D. 2  
S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1041, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to eliminate Medicare Part B reimbursements for employee-beneficiaries who are hired after June 30, 2011, and their spouses.

Your Committee received comments in support of this measure from Derek Mizuno, Deputy Executive Director, Hawaii Government Employees Association.

Your Committee received comments in opposition to this measure from Kris Coffield, Legislative Director, IMUAlliance; and ten individuals.

Your Committee received comments on this measure from David M. Louie, Attorney General, Department of the Attorney General; Kalbert Young, Director, Department of Budget and Finance; the Hawaii Employer-Union Health Benefits Trust Fund; and the Hawaii State Teachers Association.

Your Committee finds that eliminating Medicare Part B reimbursements is one way of containing the ever-increasing cost of retiree health benefits paid by state and county employers.

HB1041 SD2 SSCR LRB 11-3143.doc

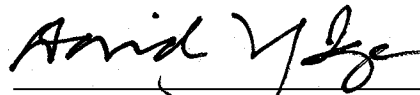


Furthermore, this measure will facilitate the sustainability of benefits under the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee has amended this measure by clarifying that the Medicare Part B reimbursement is tied to the annual "standard" Medicare Part B premium and providing a definition for that term.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1041, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1041, H.D. 2, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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DAVID Y. IGE, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1041, HD2, SD1	JDL, WAM	4-7-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/	<i>MAA mlc</i>		
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai		/		
TOKUDA, Jill N.				/
WAKAI, Glenn	/			
SLOM, Sam			/	
<b>TOTAL</b>	<i>10</i>	<i>1</i>	<i>1</i>	<i>1</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Michelle N. Kidani</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes