## A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND.

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

| 1  | SECT       | ION 1. The purpose of this Act is to convene a task    |
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| 2  | force in   | the department of budget and finance to examine the    |
| 3  | unfunded 1 | liability of the Hawaii employer-union health benefits |
| 4  | trust fund | d.   |
| 5  | SECT       | ION 2. (a) There is established a Hawaii employer-     |
| 6  | union hea  | lth benefits trust fund task force within the          |
| 7  | departmen  | t of budget and finance for administrative purposes to |
| 8  | consist o  | f the following members:                               |
| 9  | (1)        | Two members from the house of representatives selected |
| 10 |            | by the speaker of the house of representatives;        |
| 11 | (2)        | Two members from the senate selected by the senate     |
| 12 |            | president;   |
| 13 | (3)        | Four members representing the State's unions;          |
| 14 | (4)        | The director of budget and finance, or the director's  |
| 15 |            | designee;  |
| 16 | (5)        | The State's chief negotiator, or the chief             |
| 17 |            | negotiator's designee; and                             |

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| 7  | (6)          | rwo members selected by the governor.                  |
|----|--------------|--|
| 2  | The d        | irector of budget and finance, or the director's       |
| 3  | designee, s  | shall serve as the chairperson of the task force. The  |
| 4  | task force   | shall cease to exist on June 30, 2014.                 |
| 5  | (d)          | The members of the task force shall serve without      |
| 6  | compensation | on, but shall be reimbursed for expenses, including    |
| 7  | travel expe  | enses, necessary for the performance of their duties.  |
| 8  | No member s  | shall be made subject to chapter 84, Hawaii Revised    |
| 9  | Statutes,    | solely because of that member's participation as a     |
| 10 | member of    | that task force.                                       |
| 11 | SECTIO       | ON 3. The Hawaii employer-union health benefits trust  |
| 12 | fund task :  | force shall examine the unfunded liability of the      |
| 13 | Hawaii emp   | loyer-union health benefits trust fund, including:     |
| 14 | (1)          | The current and projected unfunded actuarial accrued   |
| 15 |              | liability of the Hawaii employer-union health benefits |
| 16 | •            | trust fund;  |
| 17 | (2)          | The availability of medical benefits plans other than  |
| 18 | 1            | plans that pay or reimburse medical services providers |
| 19 | 1            | under a fee-for-service model; provided that the task  |
| 20 | :            | force shall explore alternative medical benefits       |
| 21 | ]            | plans;   |

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| 1  | (3)       | The costs and benefits of alternative medical benefits |
|----|-----------|--|
| 2  |           | plans in relation to the medical benefits plans        |
| 3  |           | currently offered by the trust fund;                   |
| 4  | (4)       | An evaluation of the costs and process of              |
| 5  |           | transitioning from the current medical benefits plans  |
| 6  |           | to an alternative medical benefits plan, including     |
| 7  |           | recommended proposed legislation; and                  |
| 8  | (5)       | Any other matters that are relevant to gaining a full  |
| 9  |           | and meaningful understanding of the circumstance of    |
| 10 |           | the trust fund.  |
| 11 | SECT      | TION 4. The director of budget and finance, in         |
| 12 | consultat | ion with the task force, shall submit a report to the  |
| 13 | legislatu | re, including findings, recommendations, and           |
| 14 | implement | ing draft legislation no later than twenty days prior  |
| 15 | to the co | envening of the regular session of 2014.               |
| 16 | SECT      | TION 5. This Act shall take effect upon its approval.  |

### Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Task Force

### Description:

Establishes the Hawaii Employer-Union Health Benefits Trust Fund Task Force within the Department of Budget and Finance to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund. (HB546 HD1)

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