
A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

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

1 SECTION 1. Section 431:2-201.5, Hawaii Revised Statutes,
2 is amended by amending subsection (b) to read as follows:

3 "(b) The following definitions shall be used when applying
4 Title 42 United States Code section 300gg, et seq.:

5 "Employee" means an employee who works on a full-time basis
6 with a normal workweek of twenty hours or more.

7 "Group health issuer" means all persons offering health
8 insurance coverage to any group or association, but shall not
9 include those persons offering benefits exempted from Title I of
10 the Health Insurance Portability and Accountability Act of 1996,
11 P.L. 104-191, under sections 732(c) and 733(c) of Title I of the
12 Employee Retirement Income Security Act of 1974 and sections
13 2747 and 2791(c) of the Public Health Service Act.

14 "Qualifying event" means the date of issuance of a general
15 excise tax license, the loss of a job, a reduction in hours of
16 work, or the exhaustion of the federal Consolidated Omnibus
17 Budget Reconstruction Act continuation coverage that results in
18 a loss of health care coverage.



1 "Self-employed individual" means a person operating the
2 person's own business, whether as a sole proprietorship or in
3 any other legally recognized manner in which a person may
4 operate the person's own business, who has a general excise tax
5 license for that business, and who is registered or licensed by
6 the department of commerce and consumer affairs for that
7 business.

8 "Small employer" means, in connection with a group health
9 plan with respect to a calendar year and a plan year, an
10 employer who [~~employs between~~] employed an average of at least
11 one [~~and no~~] but no more than [~~fifty~~] one hundred employees[-]
12 on business days during the preceding calendar year and who
13 employs at least one employee on the first day of the plan
14 year."

15 SECTION 2. Section 432:1-102, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) Article 2, article 2D, parts II and IV of article 3,
18 article 6, part III of article 7, article 9A, article 13,
19 article 14G, and article 15 of chapter 431, sections 431:3-301,
20 431:3-302, 431:3-303, 431:3-304, and 431:3-305, and the powers
21 granted by those provisions to the commissioner, shall apply to
22 managed care plans, health maintenance organizations, or medical



1 indemnity or hospital service associations that are owned or
2 controlled by mutual benefit societies so long as the
3 application in any particular case is in compliance with and is
4 not preempted by applicable federal statutes and regulations."

5 SECTION 3. Section 432D-19, Hawaii Revised Statutes, is
6 amended by amending subsection (d) to read as follows:

7 "(d) Article 2, article 2D, part IV of article 3, article
8 6, part III of article 7, article 9A, article 13, article 14G,
9 and article 15 of chapter 431, and sections 431:3-301 and 431:3-
10 302, and the powers granted by those provisions to the
11 commissioner shall apply to health maintenance organizations, so
12 long as the application in any particular case is in compliance
13 with and is not preempted by applicable federal statutes and
14 regulations."

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act, upon its approval, shall take effect
18 on July 1, 2050; provided that the amendment made to section
19 431:2-201.5, Hawaii Revised Statutes, by this Act shall not be
20 repealed when that section is reenacted on July 1, 2013, by
21 section 3 of Act 120, Session Laws of Hawaii 2008, as amended by
22 section 14 of Act 11, Session Laws of Hawaii 2009.



Report Title:

Health Insurance

Description:

For consistency with federal affordable health care law, etc., defines "small employer" in Hawaii insurance code to consist of employers with 100 employees or less; applies producer licensing law requirements to producers selling health maintenance organization and mutual benefit society insurance products.
(HB848 HD1)

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

