
HOUSE RESOLUTION

REQUESTING THE PRESIDENT OF THE UNITED STATES TO EXEMPT HAWAII,
THROUGH EXECUTIVE ORDER, FROM THE FEDERAL PATIENT
PROTECTION AND AFFORDABLE CARE ACT AND REQUESTING THE
SUPPORT OF HAWAII'S CONGRESSIONAL DELEGATION.

1 WHEREAS, Hawaii leads the nation in the percentage of
2 residents with health insurance coverage because, under the
3 Hawaii Prepaid Health Care Act, Hawaii employers are required to
4 provide all full-time employees with health insurance coverage,
5 resulting in a very small number of uninsured residents; and
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7 WHEREAS, United States President Barack Obama signed the
8 Patient Protection and Affordable Care Act into law requiring
9 all Americans to have health insurance coverage after January 1,
10 2014, and prohibiting insurers from using loss-experience rating
11 to set insurance premiums; and
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13 WHEREAS, the Patient Protection and Affordable Care Act
14 further made it discretionary for states to implement an age-
15 based rating system, pursuant to 42 U.S.C. section 300gg(a)(1),
16 and delay small business health options programs pursuant to 45
17 C.F.R. section 155.705; and
18

19 WHEREAS, due to the Patient Protection and Affordable Care
20 Act's age-based rating mandate, health insurance prices for
21 small business employers, specifically employers that employ
22 less than fifty employees, have risen to such a level that small
23 businesses in Hawaii have little incentive to provide health
24 insurance for their older workers; and
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26 WHEREAS, small business employers are reacting to the
27 rising prices of health insurance by terminating or reducing
28 work hours of older workers to avoid providing health insurance;
29 and
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31 WHEREAS, these older workers, whether terminated from
32 employment or employed part-time, increase Hawaii's uninsured
33 population gap; and



1
2 WHEREAS, the State implemented the Hawaii Health Connector
3 in 2011, in response to the Patient Protection and Affordable
4 Care Act's mandate for all states to offer a marketplace for
5 health insurance coverage by establishing a financially
6 sustainable health insurance exchange; and
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8 WHEREAS, the Patient Protection and Affordable Care Act
9 does not require termination of individual or small group plans
10 in which an individual was enrolled on or before March 23, 2010,
11 also known as "grandfathered health plans"; and
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13 WHEREAS, recent transitional policies announced by the
14 United States Department of Health and Human Services allow
15 health insurance issuers to continue certain coverage through
16 October 1, 2016, that would otherwise be canceled for
17 noncompliance with the Patient Protection and Affordable Care
18 Act market reforms; and
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20 WHEREAS, grandfathered health plans and transitional
21 policies have prevented sustainability of the Hawaii Health
22 Connector by restricting enrollment; and
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24 WHEREAS, the Hawaii Health Connector originally estimated
25 that it would serve an uninsured population of about one hundred
26 thousand persons; however, current estimates have reduced the
27 number of potential enrollees to fifty thousand persons, due to
28 predictions that roughly half of the estimated population
29 qualify for Medicaid; and
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31 WHEREAS, an enrollment of fifty thousand persons with the
32 Hawaii Health Connector is insufficient to establish financial
33 sustainability for the Hawaii Health Connector, and its
34 financial losses are drastically exacerbated by the current
35 enrollment of about five thousand persons; and
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37 WHEREAS, the Patient Protection and Affordable Care Act is
38 moving Hawaii away from the goal of universal healthcare
39 coverage because its required health care reforms have actually
40 increased Hawaii's uninsured population gap through age-based
41 rating; now, therefore,
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43 BE IT RESOLVED by the House of Representatives of the
44 Twenty-seventh Legislature of the State of Hawaii, Regular



1 Session of 2014, that the President of the United States is
2 requested to exempt Hawaii, by Executive Order, from the
3 mandates of the Patient Protection and Affordable Care Act; and
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5 BE IT FURTHER RESOLVED that Hawaii's congressional
6 delegation is requested to support Hawaii's request for an
7 exemption from the Patient Protection and Affordable Care Act;
8 and
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10 BE IT FURTHER RESOLVED that certified copies of this
11 Resolution be transmitted to the President of the United States
12 and the members of Hawaii's congressional delegation.
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OFFERED BY:

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