

STAND. COM. REP. NO. **2495**

Honolulu, Hawaii

FEB 24 2016

RE: S.B. No. 2383
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2383, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH CONNECTOR,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal the Hawaii Health Connector and associated references in the Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and Office of Enterprise Technology Services. The Attorney General provided written comments on the measure.

Your Committee finds that Hawaii's health insurance exchange, the Hawaii Health Connector (Connector), was established in 2011 and charged with implementing applicable parts of the federal Patient Protection and Affordable Care Act of 2010. However, due to Hawaii's small population, the highly successful Prepaid Health Care Act of 1974, and expanded Medicaid coverage that resulted in lower numbers of uninsured residents in the State, the Connector was unable to meet the financial sustainability requirements imposed by the federal government.

Your Committee also finds that the Connector ceased operations on December 4, 2015. The State has since enlisted the assistance of six state departments to comply with federal requirements and ensure a smooth transition for enrollees from the

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Connector to a state-based marketplace that utilizes the federal platform. Accordingly, this measure repeals the Connector as part of the transition to a federally supported, state-based exchange.

Your Committee has amended the measure by:

- (1) Amending the language contained in section 4 of the measure to more clearly state that the debts and liabilities of the Connector remain the debts and liabilities of the Connector and are not the responsibility of the State; and
- (2) Making a technical nonsubstantive amendment for the purpose of clarity.

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 S.B. No. 2383, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2383, S.D. 2.

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




JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2383, SD 1	CPH, WAM	2/24/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam				/
TOTAL	9			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes