

Honolulu, Hawaii

April 8, 2016

RE: S.B. No. 2894
S.D. 2
H.D. 3

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2894, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to facilitate compliance with the federal Patient Protection and Affordable Care Act (Affordable Care Act). Specifically, this measure:

- (1) Requires the Department of Human Services to develop and administer outreach, as required by the Affordable Care Act, subject to the availability of state and federal funding;
- (2) Establishes a state health insurance exchange, the Hawaii Health Insurance Programs, within the Department of Labor and Industrial Relations as a temporary, transitional measure to preserve federal funding and continue the provision of health insurance in compliance with the Affordable Care Act and Hawaii Prepaid Health Care Act; and
- (3) Appropriates funds to the Department of Labor and Industrial Relations and the Department of Human Services.



The Department of Human Services, Department of Labor and Industrial Relations, Department of Commerce and Consumer Affairs, Healthcare Association of Hawaii, Hawaii Medical Service Association, Hawaii Primary Care Association, Project Vision Hawaii, and Ohana Health Plan provided testimony in support of the measure.

Your Committee has amended the measure by:

- (1) Changing the appropriation amounts to unspecified sums;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2894, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2894, S.D. 2, H.D. 3.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



