

DAVID Y. IGE
GOVERNOR



THOMAS WILLIAMS
EXECUTIVE DIRECTOR

KANOE MARGOL
DEPUTY EXECUTIVE DIRECTOR

STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM

SUPPLEMENTAL TESTIMONY BY THOMAS WILLIAMS
EXECUTIVE DIRECTOR, EMPLOYEES' RETIREMENT SYSTEM
STATE OF HAWAII

TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON

SENATE BILL NO. 2428, S.D. 1

FEBRUARY 24, 2016, 1:15 P.M.

RELATING TO PUBLIC EMPLOYEES

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee,

S.B. 2428, S.D. 1 would require the Employees' Retirement System (ERS) to transfer contributions by retirees and beneficiaries to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) that represent the difference between the monthly contributions by the State or county to the EUTF and the actual costs of health benefit plans under the EUTF.

The ERS adds the following clarification to the suggested amendment to S.B. 2428, S.D. 1 in its earlier-submitted testimony:

The suggested language may lessen the risk of the transmittal of "protected health information" between the EUTF and ERS; however, the only way to avoid subjecting the ERS to HIPAA regulations and the associated liability involved, beyond the ERS's liabilities under state law, would be to provide an alternate means of payment to the EUTF, such as by electronic payment. If the ERS will be required to process withholdings for payment to the EUTF, we request a delayed implementation date for this legislation until sufficient HIPAA compliance can be ensured.

Thank you for this opportunity to provide testimony on S.B. 2428, S.D. 1.



Employees' Retirement System
of the State of Hawaii

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: niyati333@aol.com
Subject: Submitted testimony for SB2428 on Feb 24, 2016 13:15PM
Date: Wednesday, February 24, 2016 10:53:45 AM

SB2428

Submitted on: 2/24/2016

Testimony for WAM on Feb 24, 2016 13:15PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Niyati Brown	Individual	Support	No

Comments: My name is Niyati Brown. I am a resident of the Big Island where I have been a retired teacher for six years.. I was hired after July 1996 so I contribute to the payment of my EUTF insurance premiums. I would like the premium to be deducted before I receive my monthly pension check. Each month I have to find an envelope, buy a stamp, write a note to EUTF, find my payment slip[, and send it to EUTF. As I get older and more forgetful I often forget to send my payment until later in the month. I worry for those who are even older than me and maybe more forgetful. If you miss a payment you loose your insurance. I have already lost my insurance once because payments increased but I was not informed for over a year. This is not agreeable. Please deduct my insurance premiums before I get my pension check via SB2428 and HB2016. Thank you for allowing me to give testimony.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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