
A BILL FOR AN ACT

RELATING TO MEDICARE PART B.

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

1 SECTION 1. The legislature finds that with the escalation
2 of health care costs and increased life expectancy, it has
3 become increasingly evident that secure retirement benefits are
4 essential to financial security at the end of people's careers.
5 The legislature recognizes the importance of ensuring that
6 public employees retain the retirement benefits they have earned
7 through a lifetime of public service. Retirement benefits
8 provide valuable protection to retirees against outliving their
9 savings and other sources of retirement income.

10 The legislature further finds that retirees are a
11 financially vulnerable population. A significant portion of
12 retirees are solely dependent on government benefits as their
13 only income source. And with the growing cost of living in the
14 State, retirees are looking for ways to stretch every penny they
15 have.

16 The legislature believes that adequate and individual
17 notice to employee-beneficiaries and their spouses about their



1 eligibility for reimbursement of income-related monthly
2 adjustment amount medicare part B premiums is an important
3 measure to maximize retiree benefits and ensure that retirees
4 receive the full value of the benefits to which they are
5 entitled. The legislature further believes that employee-
6 beneficiaries and their spouses should be reimbursed for their
7 income-related monthly adjustment amount medicare part B
8 premiums without any time limitation to provide the employee-
9 beneficiaries with as much of the money to which they are
10 entitled.

11 The purpose of this Act is to:

- 12 (1) Provide employee-beneficiaries of the Hawaii employer-
13 union health benefits trust fund, and their spouses,
14 with individual actual notice in instances where
15 medicare part B claims are not filed; and
- 16 (2) Allow employee-beneficiaries and their spouses to be
17 reimbursed for income-related monthly adjustment
18 amount medicare part B premiums owed on or after
19 January 1, 2015, without any time limitation for
20 claiming the reimbursement.



1 SECTION 2. Section 87A-23, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§87A-23 Health benefits plan supplemental to medicare.

4 The board shall establish a health benefits plan, which takes
5 into account benefits available to an employee-beneficiary and
6 spouse under medicare, subject to the following conditions:

7 (1) There shall be no duplication of benefits payable
8 under medicare. The plan under this section, which
9 shall be secondary to medicare, when combined with
10 medicare and any other plan to which the health
11 benefits plan is subordinate under the National
12 Association of Insurance Commissioners' coordination
13 of benefit rules, shall provide benefits that
14 approximate those provided to a similarly situated
15 beneficiary not eligible for medicare;

16 (2) The State, through the department of budget and
17 finance, and the counties, through their respective
18 departments of finance, shall pay to the fund a
19 contribution equal to an amount not less than the
20 medicare part B premium, for each of the following who
21 are enrolled in the medicare part B medical insurance



1 plan: (A) an employee-beneficiary who is a retired
2 employee, (B) an employee-beneficiary's spouse while
3 the employee-beneficiary is living, and (C) an
4 employee-beneficiary's spouse, after the death of the
5 employee-beneficiary, if the spouse qualifies as an
6 employee-beneficiary. For purposes of this section, a
7 "retired employee" means retired members of the
8 employees' retirement system; county pension system;
9 or a police, firefighters, or bandsmen pension system
10 of the State or a county as set forth in chapter 88.
11 If the amount reimbursed by the fund under this
12 section is less than the actual cost of the medicare
13 part B medical insurance plan due to an increase in
14 the medicare part B medical insurance plan rate, the
15 fund shall reimburse each employee-beneficiary and
16 employee-beneficiary's spouse for the cost increase
17 within thirty days of the rate change. Each employee-
18 beneficiary and employee-beneficiary's spouse who
19 becomes entitled to reimbursement from the fund for
20 medicare part B premiums after July 1, 2006, shall
21 designate a financial institution account into which



1 the fund shall be authorized to deposit
2 reimbursements. This method of payment may be waived
3 by the fund if another method is determined to be more
4 appropriate;

5 (3) The benefits available under this plan, when combined
6 with benefits available under medicare or any other
7 coverage or plan to which this plan is subordinate
8 under the National Association of Insurance
9 Commissioners' coordination of benefit rules, shall
10 approximate the benefits that would be provided to a
11 similarly situated employee-beneficiary not eligible
12 for medicare;

13 (4) All employee-beneficiaries or dependent-beneficiaries
14 who are eligible to enroll in the medicare part B
15 medical insurance plan shall enroll in that plan as a
16 condition of receiving contributions and participating
17 in benefits plans under this chapter. This paragraph
18 shall apply to retired employees, their spouses, and
19 the surviving spouses of deceased retirees and
20 employees killed in the performance of duty; ~~and~~



1 (5) The board shall determine which of the employee-
2 beneficiaries and dependent-beneficiaries, who are not
3 enrolled in the medicare part B medical insurance
4 plan, may participate in the plans offered by the
5 fund[-];

6 (6) The board shall notify the employee-beneficiary and
7 employee-beneficiary's spouse in cases where no
8 reimbursement request for and proof of an income-
9 related monthly adjustment amount medicare part B
10 premium is received by the fund from the employee-
11 beneficiary or employee-beneficiary's spouse.
12 Notification to the employee-beneficiary and employee-
13 beneficiary's spouse shall include instructions for
14 making a reimbursement request for an income-related
15 monthly adjustment amount medicare part B premium.
16 Notifications shall be sent to the employee-
17 beneficiary's or employee-beneficiary's spouse's
18 address of record by any method of delivery as
19 determined by the board; and

20 (7) The board shall reimburse an employee-beneficiary and
21 employee-beneficiary's spouse for income-related



H.B. NO. 1899

1 monthly adjustment amount medicare part B premiums for
 2 which the employee-beneficiary or employee-
 3 beneficiary's spouse was eligible on or after January
 4 1, 2015, without a time limitation for claiming the
 5 reimbursement."

6 SECTION 3. Statutory material to be repealed is bracketed
 7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act shall take effect upon its approval.

9

INTRODUCED BY:

Richard Lopez
Fong M. Sakb
Gregory
James S. King
Daniel Carnas
Balls
B. L. Kolyachi
John M. ...

JAN 17 2020



H.B. NO. 1899

Report Title:

Medicare Part B; Notification; Income Related Monthly Adjustment Amount; Premium; Reimbursement; EUTF

Description:

Requires the board to send actual, individual notice via a board approved method of delivery to EUTF members that they may be eligible for reimbursement of income-related monthly adjustment amount (IRMAA) medicare part B premium payments. Allows beneficiaries to be reimbursed for IRMAA part B premiums owed on or after January 1, 2015, without any time limitation for claiming the reimbursement.

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

