

ACT 145

S.B. NO. 3075

A Bill for an Act Relating to Health Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Under the Omnibus Budget Reconciliation Act of 1993 (OBRA '93), state courts are authorized to require an employer that provides dependent health coverage to make that coverage available to an employee's child even though the child is not, for income tax purposes or plan purposes, a legal dependent because of a separation or divorce.

OBRA '93 also amended the Social Security Act to require states to enact laws requiring group health plans to honor qualified medical child support orders as a condition for receiving Medicaid funding. Generally, states are required to adopt such laws for calendar quarters beginning on or after April 1, 1994, but are given until the end of the first regular legislative session beginning after August 10, 1993, to enact this requirement if that date is later. Therefore, in order to continue to receive Medicaid funding, recognition must be afforded to qualified medical child support orders. Additionally, such recognition will ensure that a vulnerable group of children have access to health benefits.

The purpose of this Act is to require employers, who provide health coverage to dependent children of an employee, to recognize a child identified in a qualified medical child support order as an eligible dependent without regard to any enrollment season restrictions.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§431- Qualified medical child support order. (a) An employer, who provides health coverage to dependent children of an employee, shall recognize a child identified in a qualified medical child support order as an eligible dependent without regard to any enrollment season restrictions.

(b) A qualified medical child support order shall:

- (1) Specify the name and last known mailing address, if any, of the plan member and the name and mailing address of each recipient child covered by the order;
- (2) Include a reasonable description of the type of coverage to be provided to the recipient child, or the manner in which the type of coverage is to be determined;
- (3) State the period during which it applies;
- (4) Specify the plan to which it applies; and
- (5) Not require a plan to provide any type or form of benefit or option that the plan does not otherwise provide.”

SECTION 3. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§432- **Qualified medical child support order.** (a) An employer, who provides health coverage to dependent children of an employee, shall recognize a child identified in a qualified medical child support order as an eligible dependent without regard to any enrollment season restrictions.

(b) A qualified medical child support order shall:

- (1) Specify the name and last known mailing address, if any, of the plan member and the name and mailing address of each recipient child covered by the order;
- (2) Include a reasonable description of the type of coverage to be provided to the recipient child, or the manner in which the type of coverage is to be determined;
- (3) State the period during which it applies;
- (4) Specify the plan to which it applies; and
- (5) Not require a plan to provide any type or form of benefit or option that the plan does not otherwise provide.”

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Approved June 8, 1994.)

Note

1. Edited pursuant to HRS §23G-16.5.