

ACT 25

H.B. NO. 1042

A Bill for an Act Relating to the Public Employees Health Fund.

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

SECTION 1. Section 87-22, Hawaii Revised Statutes, is amended to read as follows:

**“§87-22 Determine health benefits plan; contract with carriers.** (a) The board of trustees shall determine the health benefits plan[,] or plans, which shall be excepted from the minimum group requirements of chapter 431. The health benefits plan or plans shall provide, pay for, arrange for, or reimburse the cost of hospitalization, surgery, medical, dental treatment, and care, and may include prescribed drugs, medicines, prosthetic appliances, hospital in-patient and out-patient service benefits, vision treatment and care, medical, and dental [indemnity] benefits.

(b) The board may contract for the following health benefits plans; provided that benefits provided under any respective plan shall be equally available to all employee-beneficiaries and dependent-beneficiaries selecting the plan regardless of age, as provided for below:

- (1) [A statewide] An indemnity benefit plan or plans under which a carrier agrees to pay certain sums of money not in excess of the actual expenses incurred for health services[.];
- (2) A [statewide] service benefit plan or plans under which payment is made by a carrier under contracts with physicians, hospitals, or other providers of health services[,] or, under certain conditions, payment is made by a carrier to an employee-beneficiary[.];
- (3) Health maintenance organization plans, which provide or arrange health services for members on a prepaid basis, with professional services provided by physicians practicing individually or as a group in a common center or centers[.];
- (4) Plans to offer dental benefits through [a statewide] an indemnity plan[,] or plans, a [statewide] service benefit plan[,] or plans, dental maintenance organization plans, or combinations thereof[.];
- (5) Plans to offer prescription drug benefits through [a statewide] an indemnity plan[,] or plans, a [statewide] service benefit plan[,] or plans, health maintenance organization plans, or combinations thereof[.];

- (6) Plans to offer vision care benefits through [a statewide] an indemnity plan[,], or plans, a [statewide] service benefit plan[,], or plans, health maintenance organization plans, or combinations thereof[.]; or
- (7) A noninsured schedule of benefits similar to any of the schedule of benefits set forth in the health benefits plans authorized in paragraphs (1) to (6).”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 23, 1999.)