
A BILL FOR AN ACT

RELATING TO CHILDREN'S HEALTH CARE.

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

1 PART I

2 SECTION 1. Although estimates of the number of uninsured
3 children in the state vary, one thing that can be agreed upon is
4 that there is a gap group that is ineligible for any state or
5 federal health care coverage. The majority of children in this
6 gap group are those whose family income is at or just over three
7 hundred per cent of the federal poverty level. Others in this
8 group may include infants born to uninsured mothers, immigrants
9 with temporary visas, and undocumented immigrants who have been
10 in Hawaii for less than six months. The total number of those
11 who fall into the gap group could be as high as three thousand
12 five hundred children.

13 A study performed by the Urban Institute, a nonpartisan
14 economic and social policy research organization, showed that
15 regardless of age, race, ethnicity, income, or health status,
16 uninsured children were much less likely to have received a
17 well-child checkup within the past year and were more likely
18 than insured children to report an unmet need for medical care



1 that was associated with concerns about cost. Children who lack
2 a source of care or must turn regularly to a hospital emergency
3 department are unlikely to receive preventive care or early and
4 regular management of acute or chronic health conditions.

5 Local health care coverage providers offer children's plans
6 that cover certain preventive services, immunizations, doctor
7 visits, diagnostic tests, emergency care, mental health
8 benefits, and some prescription drugs.

9 The State has the opportunity to help provide health care
10 coverage for children in the gap group through partnerships with
11 mutual benefit societies such as the Hawaii Medical Service
12 Association. Such partnerships will allow the State to offer
13 coverage to uninsured children under the existing children's
14 plans offered by these mutual benefit societies. The cost of
15 the premium will be split equally between the partner mutual
16 benefit society and the State.

17 The purpose of this part is to ensure health care for all
18 of Hawaii's children by establishing the Hawaii children's
19 health care program as a temporary three-year pilot program to
20 provide health care coverage to uninsured children.

21 SECTION 2. **Hawaii children's health care program; three-**
22 **year pilot program; establishment.** (a) There is established



1 the Hawaii children's health care program as a temporary three-
2 year pilot program to provide health care coverage to uninsured
3 children. The pilot program shall provide health care coverage
4 through a public-private partnership, established as a contract
5 to provide health and human services pursuant to chapter 103F,
6 Hawaii Revised Statutes, between the department of human
7 services and a mutual benefit society operating in the state
8 under chapter 432, Hawaii Revised Statutes, that offers accident
9 and health or sickness insurance plans.

10 (b) To qualify for this pilot program, a child shall:

11 (1) Be between thirty-one days to eighteen years old;

12 (2) Have been uninsured continually for at least six
13 months; provided that infants between thirty-one days
14 and six months of age shall have been uninsured
15 continually since birth; and

16 (3) Have been ineligible during the six months the child
17 was uninsured for any other state or federal health
18 care coverage, and be currently ineligible for such
19 coverage; provided that all children enrolled in a
20 mutual benefit society's children's plan as of the
21 effective date of this Act shall be eligible for



1 enrollment into the Hawaii children's health care
2 program.

3 (c) The department of human services and the mutual
4 benefit society shall share equally in the cost of the premium
5 for each child enrolled in the pilot program.

6 (d) The department of human services shall pay the State's
7 share of the premiums under the pilot program on a quarterly
8 basis.

9 (e) The mutual benefit society participating in the pilot
10 program shall be responsible for determining the eligibility of
11 Hawaii children's health care program applicants and of
12 enrolling applicants in the program.

13 (f) The mutual benefit society participating in the pilot
14 program shall provide a quarterly report to the department of
15 human services and the legislature on the number of children
16 enrolled in the Hawaii children's health care program.

17 (g) Other private organizations may partner with the State
18 to offer coverage to uninsured children under the Hawaii
19 children's health care program; provided that plan benefits to
20 be provided shall be equal to or better than those offered
21 through the pilot program established by the State and a mutual
22 benefit society under subsection (a).



1 (h) The Hawaii children's health care program shall
2 terminate on June 30, 2010.

3 PART II

4 SECTION 3. Currently, the department of human services
5 provides QUEST benefits to children who are nineteen years of
6 age or younger, and whose family's income is at or below two
7 hundred fifty per cent of the federal poverty level, at no
8 charge to the family. Children whose family income fall within
9 two hundred fifty-one per cent to three hundred per cent of the
10 federal poverty level are charged a sliding scale premium. Even
11 these lower premiums can be a financial hardship for some
12 families.

13 The purpose of this part is to provide access to medical
14 care free of charge for children whose family income is at or
15 below three hundred per cent of the federal poverty level; and

16 SECTION 4. **Hawaii children's health care; QUEST-Net**
17 **eligibility.** The department of human services shall provide
18 medical assistance under QUEST-Net at no charge to children less
19 than nineteen years of age whose family income is at or above
20 two hundred fifty per cent and does not exceed three hundred per
21 cent of the federal poverty level and who are otherwise eligible
22 for QUEST-Net benefits.



H.B. NO. 1008

1 SECTION 5. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$1,000,000 or so much
 3 thereof as may be necessary for fiscal year 2007-2008 to
 4 establish the Hawaii children's health care program as a
 5 temporary three-year pilot program to provide health care
 6 coverage to uninsured children.

7 The sum appropriated shall be expended by the department of
 8 human services for the purposes of part I of this Act.

9 SECTION 6. There is appropriated out of the general
 10 revenues of the State of Hawaii the sum of \$4,600,000 or so much
 11 thereof as may be necessary for fiscal year 2007-2008 to provide
 12 QUEST-Net services free of charge to children whose family
 13 income is at or above two hundred fifty per cent, and under
 14 three hundred per cent of the federal poverty level.

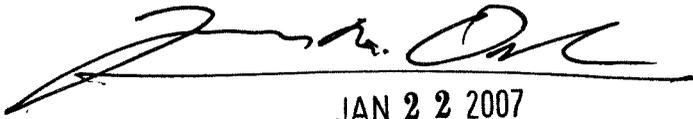
15 The sum appropriated shall be expended by the department of
 16 human services for the purposes of part II of this Act.

17 SECTION 7. This Act shall take effect on July 1, 2007.

INTRODUCED BY:

[Handwritten signatures and names]
 Kal Hood
 Phil Kwanter
 Rida T.R. Cabanilla
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 Eric K. Catchwell
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JAN 22 2007



Report Title:

Children's Health Care

Description:

Creates a three-year pilot program in which the Department of Human Services pays half of the premiums for the health care provided by a mutual benefit society to uninsured children who are thirty-one days to eighteen years old and are ineligible for other state or federal health care coverage. Provides children, of families whose income is at or below three hundred per cent of the federal poverty level, access to medical care free of charge by expanding the State's QUEST-Net eligibility requirements. Appropriates funds. Sunsets June 30, 2010.

