

JAN 19 2007

A BILL FOR AN ACT

RELATING TO THE HAWAII CHILDREN'S HEALTH CARE PROGRAM.

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

1 SECTION 1. Although estimates of the number of uninsured
2 children in the state vary, one thing that can be agreed upon is
3 that there is a gap group that is ineligible for any state or
4 federal health care coverage. Children who remain uninsured
5 typically do not receive an appropriate level of medical care.
6 Children who lack a source of care or who must turn regularly to
7 a hospital emergency department are unlikely to receive
8 preventive care or early and regular management of acute or
9 chronic health conditions.

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

17 Health insurance helps children and youth receive regular
18 health care so they can participate in school and other



1 activities. Often, parents experience hardship when an
2 uninsured child is sick because of the added stress of the
3 child's medical bills.

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

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

16 The purpose of this Act is to establish the Hawaii
17 children's health care program as a temporary three-year pilot
18 program to provide health care coverage to uninsured children.

19 **SECTION 2. Hawaii children's health care program; three-**
20 **year pilot program; establishment.** (a) There is established
21 the Hawaii children's health care program as a temporary three-
22 year pilot program to provide health care coverage to uninsured



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

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

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

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

14 (3) Have been ineligible during the six months the child
15 was uninsured for any other state or federal health
16 care coverage, and be currently ineligible for such
17 coverage; provided that all children currently
18 enrolled in a mutual benefit society's children's plan
19 shall be eligible for enrollment into the Hawaii
20 children's health care program.



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

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

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

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

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

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



1 SECTION 3. 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 and the
 4 same sum or so much thereof as may be necessary for fiscal year
 5 2008-2009 for the Hawaii children's health care program
 6 established by this Act.

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

9 SECTION 4. This Act shall take effect on July 1, 2007, and
 10 shall be repealed on June 30, 2010.

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Report Title:

Children's Health Care Program

Description:

Creates a three-year pilot program in which DHS pays half of the premiums for the health care provided by a mutual benefit society to uninsured children thirty-one days to eighteen years old who are ineligible for other state or federal health care coverage. Appropriates funds. Sunsets June 30, 2011.

