## A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

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

- 1 SECTION 1. The legislature finds that the health benefits
- 2 plan for beneficiaries of the Hawaii employer-union health
- 3 benefits trust fund should be delivered in an integrated manner.
- 4 Offering medical benefits and prescription drug benefits to
- 5 beneficiaries through separate carriers results in a fragmented
- 6 health care delivery system that may result in higher costs and
- 7 reduced quality of care.
- 8 The purpose of this Act is to integrate medical benefits
- 9 and prescription drug benefits that are offered to beneficiaries
- 10 of the Hawaii employer-union health benefits trust fund.
- 11 SECTION 2. Section 87A-16, Hawaii Revised Statutes, is
- 12 amended to read as follows:
- 13 "[+]\$87A-16[+] Health benefits plan; carriers. (a) The
- 14 board shall establish the health benefits plan or plans, which
- 15 shall be exempt from the minimum group requirements of chapter
- **16** 431.

- 1 (b) The board may contract for health benefits plans or
- 2 provide health benefits through a noninsured schedule of
- 3 benefits.
- 4 (c) To the extent the board contracts for health benefits
- 5 plans, it shall enter into contracts with carriers that provide
- 6 or administer prescription drug benefits together with medical
- 7 benefits."
- 8 SECTION 3. Statutory material to be repealed is bracketed
- 9 and stricken. New statutory material is underscored.
- 10 SECTION 4. This Act shall take effect on July 1, 2030.

## Report Title:

Hawaii Employer-Union Health Benefits Trust Fund

## Description:

Limits the Hawaii Employer-Union Health Benefits Trust Fund board to contract for health benefits plans only with carriers that provide or administer prescription drug coverage together with medical benefits. Effective July 1, 2030. (HB1268 HD1)

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