

Honolulu, Hawaii

February 13, 2015

RE: H.B. No. 1283

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1283
entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH CONNECTOR,"
begs leave to report as follows:

The purpose of this measure is to support the functions and
financial sustainability of the Hawaii Health Connector
(Connector) by, among other things:

- (1) Specifying that the Connector will be self-sustaining by
January 1, 2023, rather than January 1, 2015;
- (2) Expanding the purposes of and revenue streams available
to the Connector to include enrollment, implementation,
and benefit administration services for employers and
their employees for non-qualified health plans; and
- (3) Authorizing the Connector to issue debentures in amounts
collectively not to exceed \$28,000,000, to be payable
solely from operating revenues received by the
Connector.

The Department of the Attorney General, Department of
Commerce and Consumer Affairs, Connector, Hawaii Primary Care
Association, Hawaii Medical Service Association, and The Chamber
of Commerce Hawaii provided comments on this measure.



Your Committee has amended this measure by:

- (1) Specifying that the Connector be self-sustaining by January 1, 2015, to better comply with federal Patient Protection and Affordable Care Act of 2010 (ACA) mandates;
- (2) Ensuring that the issuance of debentures by the Connector complies with State fiscal constitutional and statutory mandates by:
 - (A) Amending the measure's purpose section to specify that the issuance of debentures in the name of the Connector serves a public purpose;
 - (B) Specifying that the State shall approve all debentures before they are issued; and
 - (C) Establishing and appropriating unspecified funds to the Connector Debenture Guarantee Trust Fund to ensure that reasonable reserves are established within the state treasury prior to the issuance of the debentures;
- (3) Specifying that all plans for the Connector to generate revenues be in compliance with both federal and state laws, rules, and regulations;
- (4) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purpose of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1283, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1283, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Health,



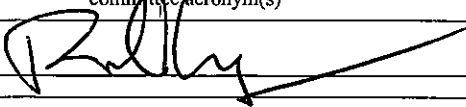
DELLA AU BELATTI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 231

Record of Votes of the Committee on Health

Bill/Resolution No.: HB1283	Committee Referral: HLT, CPC, FIN	Date: 2/11/15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	✓			
2. CREAGAN, Richard P. (VC)	✓			
3. HASHEM, Mark J.				✓
4. JORDAN, Jo		✓		
5. KOBAYASHI, Bertrand	✓			
6. MORIKAWA, Dee	✓			
7. OSHIRO, Marcus R.				✓
8. FUKUMOTO CHANG, Beth			✓	
9. TUPOLA, Andria P.L.			✓	
TOTAL (9)	4	1	2	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				