

---

---

# A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
EXEMPTION FROM THE INSURANCE CODE.

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

1           SECTION 1. The legislature finds that under current law,  
2 the Hawaii employer-union health benefits trust fund (EUTF) is  
3 unable to conduct business in the manner most cost-efficient to  
4 both public employers and employees. A revision to the EUTF's  
5 enabling legislation is necessary to clarify that the EUTF board  
6 of trustees has final authority to design the benefit plans  
7 offered by the EUTF and that health insurance providers who may  
8 contract with the EUTF are exempt from the mandatory benefit  
9 requirements of the insurance code.

10           SECTION 2. Section 87A-16, Hawaii Revised Statutes, is  
11 amended to read as follows:

12           " ~~[+]§87A-16 [+~~ **Health benefits plan; carriers.** (a) The  
13 board shall establish the health benefits plan or plans, which  
14 shall be exempt from the ~~[minimum-group]~~ mandatory benefit  
15 requirements of ~~[chapter 431.]~~ title 24 unless otherwise  
16 specified. The board may contract with insurers, as defined in



1 section 431:1-202, mutual benefit societies, as defined in  
2 section 432:1-104, and carriers, as defined in sections 432D-1  
3 and 432G-1, each of which shall be exempt from the mandatory  
4 benefits as required by chapters 431, 432, 432D, and 432G.

5 (b) The board may contract for health benefits plans or  
6 provide health benefits through a noninsured schedule of  
7 benefits."

8 SECTION 3. Section 87A-19, Hawaii Revised Statutes, is  
9 amended by amending subsection (b) to read as follows:

10 "(b) The board shall establish the medical, hospital, or  
11 surgical benefits plan or plans, which shall be exempt from the  
12 [~~minimum group~~] mandatory benefit requirements of [~~article 10A~~  
13 ~~of chapter 431~~] title 24 unless otherwise specified. The board  
14 may contract with insurers, as defined in section 431:1-202,  
15 mutual benefit societies, as defined in section 432:1-104, and  
16 carriers, as defined in section 432D-1 and 432G-1, each of which  
17 shall be exempt from the mandatory benefits as required by  
18 chapters 431, 432, 432D, and 432G. The medical, hospital, or  
19 surgical benefits plan or plans shall provide, pay for, arrange  
20 for, or reimburse the cost of medical, hospital, or surgical



1 services, and may include prescribed hospital in-patient and  
2 out-patient service and medical benefits."

3 SECTION 4. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

Hawaii Employer-Union Health Benefits Trust Fund (EUTF);  
Insurance

**Description:**

Expands the exemption of the EUTF from the insurance code for  
the design of benefit plans offered by the EUTF. (HB1066 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

