
A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST
FUND.

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

1 SECTION 1. Section 87A-23, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§87A-23 Health benefits plan supplemental to medicare.**

4 The board shall establish a health benefits plan, which takes
5 into account benefits available to an employee-beneficiary and
6 spouse under medicare, subject to the following conditions:

7 (1) There shall be no duplication of benefits payable
8 under medicare. The plan under this section, which
9 shall be secondary to medicare, when combined with
10 medicare and any other plan to which the health
11 benefits plan is subordinate under the National
12 Association of Insurance Commissioners' coordination
13 of benefit rules, shall provide benefits that
14 approximate those provided to a similarly situated
15 beneficiary not eligible for medicare;



1 (2) The State, through the department of budget and
2 finance, and the counties, through their respective
3 departments of finance, shall pay to the fund a
4 contribution equal to an amount not less than the
5 medicare part B premium, for each of the following who
6 are enrolled in the medicare part B medical insurance
7 plan: (A) an employee-beneficiary who is a retired
8 employee; (B) a spouse of an [employee-beneficiary's
9 spouse] employee-beneficiary hired prior to July 1,
10 2021, while the employee-beneficiary is living;
11 and (C) an employee-beneficiary's spouse, after the
12 death of the employee-beneficiary, if the spouse
13 qualifies as an employee-beneficiary. For purposes of
14 this section, a "retired employee" means retired
15 members of the employees' retirement system; county
16 pension system; or a police, firefighters, or bandsmen
17 pension system of the State or a county as set forth
18 in chapter 88. If the amount reimbursed by the fund
19 under this section is less than the actual cost of the
20 medicare part B medical insurance plan due to an
21 increase in the medicare part B medical insurance plan



1 rate, the fund shall reimburse each
2 employee-beneficiary and employee-beneficiary's spouse
3 for the cost increase within thirty days of the rate
4 change. Each employee-beneficiary and
5 employee-beneficiary's spouse who becomes entitled to
6 reimbursement from the fund for medicare part B
7 premiums after July 1, 2006, shall designate a
8 financial institution account into which the fund
9 shall be authorized to deposit reimbursements. This
10 method of payment may be waived by the fund if another
11 method is determined to be more appropriate;

12 (3) The benefits available under this plan, when combined
13 with benefits available under medicare or any other
14 coverage or plan to which this plan is subordinate
15 under the National Association of Insurance
16 Commissioners' coordination of benefit rules, shall
17 approximate the benefits that would be provided to a
18 similarly situated employee-beneficiary not eligible
19 for medicare;

20 (4) All employee-beneficiaries or dependent-beneficiaries
21 who are eligible to enroll in the medicare part B



1 medical insurance plan shall enroll in that plan as a
2 condition of receiving contributions and participating
3 in benefits plans under this chapter. This paragraph
4 shall apply to retired employees, their spouses, and
5 the surviving spouses of deceased retirees and
6 employees killed in the performance of duty; and
7 (5) The board shall determine which of the
8 employee-beneficiaries and dependent-beneficiaries,
9 who are not enrolled in the medicare part B medical
10 insurance plan, may participate in the plans offered
11 by the fund."

12 SECTION 2. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on December 25,
15 2040.



Report Title:

Hawaii Employer-Union Health Benefits Trust Fund; Medicare
Part B Reimbursement; New Hires

Description:

Removes medicare part B reimbursement for spouses of
employee-beneficiaries hired on or after 7/1/2021. Effective
12/25/2040. (HD1)

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not legislation or evidence of legislative intent.*

