AFSCME Local 152, AFL-CIO

A F S C M E LOCAL 152, AFL-CIO

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The Thirty-Second Legislature, State of Hawaii The House of Representatives Committee on Labor and Government Operations

Testimony by Hawaii Government Employees Association

January 30, 2024

H.B. 1943 - RELATING TO HEALTH INSURANCE

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of H.B. 1943 which requires the health benefits plan or plans established by the Employer-Union Health Benefits Trust Fund board to meet or exceed the requirements of the Prepaid Health Care Act.

All employees deserve affordable health care options, but this is especially necessary for employees who need family coverage and who are in a lower salary range and/or fall into the ALICE category. Employees who participate in the EUTF often pay 40% of the total cost of their medical premiums regardless of how much they earn, which depending on the plan and type of enrollment, can be as high as \$1,500 per month for family coverage. Private sector employees are covered under the Prepaid Health Care Act, which caps employee contributions at 1.5%. Reducing health insurance cost for our government workforce should be paramount because this will help the State become more competitive (compared to the private sector) with recruiting and retaining employees. The cost of health insurance for our government workforce has become unaffordable for too many.

Thank you for the opportunity to provide testimony in strong support of H.B. 1943.

Respectfully submitted,

Executive Director



UNITED PUBLIC WORKERS

AFSCME Local 646, AFL-CIO

HOUSE OF REPRESENTATIVES THE THIRTY-SECOND LEGISLATURE REGULAR SESSION OF 2024

COMMITTEE ON LABOR & GOVERNMENT OPERATIONS

Rep. Scot Z. Matayoshi, Chair Rep. Andrew Takuya Garrett, Vice Chair

Tuesday, January 30, 2024, 9:30 AM Conference Room 309 & Videoconference

Re: Testimony on HB1943 – RELATING TO HEATH INSURANCE

Chair Matayoshi, Vice Chair Garrett, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO ("UPW") is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

UPW <u>supports</u> HB1943, which Requires the health benefits plan or plans established by the Employer-Union Health Benefits Trust Fund ("EUTF") board to meet or exceed the requirements of the Prepaid Health Care Act.

Currently, public employees who select the HMSA 75/25 medical plan offered by the EUTF pay the same monthly employee contribution irrespective of pay. While we believe the employers should pay a greater percentage of the monthly benefit plan premium, this measure would ensure that lower-paid public employees would not have to pay more than 1.5% of their wages toward their benefit premiums.

Mahalo for the opportunity to testify in support of this measure.

Sincerely,

V.a. 1.1.

Kalani Werner State Director

HEADQUARTERS

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