

STAND. COM. REP. NO.

2161

Honolulu, Hawaii

FEB 11 2026

RE: S.B. No. 2087
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 2087 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a three-year Health Coverage Continuity Pilot Program to be administered by the Department of Human Services, in consultation with the Department of Commerce and Consumer Affairs, to assist individuals who have lost Medicaid health insurance coverage and lack access to other health insurance options;
- (2) Authorize the Department of Human Services to contract with a nonprofit health insurer or community-based organization to operate the Pilot Program; provided that the Department shall allow the operator to access state-backed reinsurance or risk stabilization support for the operation of the Pilot Program; and
- (3) Authorize the Department of Human Services to:
 - (A) Issue premium subsidies or vouchers; and



- (B) Accept employer contributions; provided that the benefit shall be portable and follow the individual without imposing compliance or administrative obligations on the State or an employer.

Your Committee received testimony in support of this measure from the State Health Planning and Development Agency, University of Hawai'i System, Indivisible Hawai'i, Indivisible Kona, Hawaii Academy of Family Physicians Legislative Committee, Hawai'i Primary Care Association, Hawaii Medical Association, Hawai'i Alliance of Nonprofit Organizations, Waipahu Safe Haven, and twenty-six individuals.

Your Committee received comments on this measure from the Department of Human Services, Department of Commerce and Consumer Affairs, Department of the Attorney General, and Department of Labor and Industrial Relations.

Your Committee finds that the number of uninsured persons in the State is certain to grow in 2027 as the provisions in Public Law 119-21 eliminate access to Medicaid coverage for certain immigrants and adults between the ages of nineteen and sixty-four who do not meet the work and community engagement requirements. Your Committee further finds that continuous access to health care coverage is critical for early detection, disease management, preventive care, and maintaining overall population health. This measure will support individuals losing Medicaid who have limited or no access to employer-sponsored or federal subsidized insurance, including Native Hawaiian and Pacific Islander communities, kupuna, individuals with disabilities, and residents of the neighbor islands where provider shortages are already limiting access.

Your Committee notes that during the joint informational briefing by the Senate Standing Committees on Health and Human Services and Consumer Protection on December 19, 2025, it was estimated that approximately seventy thousand individuals in the State may be affected and lose health insurance coverage due to Medicaid eligibility changes in Public Law 119-21, and the expiration of premium tax credits under the Affordable Care Act. Your Committee further notes that for this measure's proposed subsidy cap amount of \$1,000 per individual per year, the Health Coverage Continuity Pilot Program would require \$7 million to



provide subsidies to affected individuals. Your Committee additionally notes that a substantial portion of affected individuals residing in rural areas may qualify for additional funding under the federal Rural Health Transformation program.

Your Committee has amended this measure by:

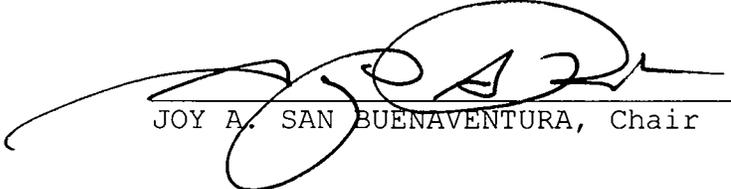
- (1) Amending the purpose of the Health Coverage Continuity Pilot Program to subsidize the cost of certain health insurance deductibles, rather than providing health insurance coverage, for individuals who:
 - (A) Have lost Medicaid coverage;
 - (B) Do not qualify for employer-sponsored insurance under the Prepaid Health Care Act or federal premium subsidies under the Affordable Care Act or any successor federal program; and
 - (C) Are enrolled in a bronze level or catastrophic health insurance plan;
- (2) Inserting language to clarify that the pilot program shall target individuals according to its amended purpose;
- (3) Inserting language to clarify that the Department of Human Services is required, not authorized, to issue subsidies for the cost of deductibles to eligible individuals enrolled in the pilot program; provided that the subsidies shall:
 - (A) Be for preventative health care services; and
 - (B) Not exceed \$1,000 per individual per year;
- (4) Inserting a blank appropriation amount for the implementation and operation of the pilot program;
- (5) Deleting language that would have required the Department of Human Services to provide low premium bronze level or catastrophic health insurance plans;



- (6) Deleting language that would have authorized the Department of Human Services to accept employer contributions for eligible individuals enrolled in the pilot program;
- (7) Deleting language that would have required the Department of Human Services to use funding from general appropriations for the implementation of the pilot program;
- (8) Amending section 1 to reflect its amended purpose; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2087, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2087, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* SB 2087	Committee Referral: HHS, CPN/WAM	Date: 2/4/2020		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
MCKELVEY, Angus L.K. (VC)	✓			
KANUHA, Dru Mamo	✓			
KEOHOKALOLE, Jarrett	✓			
FEVELLA, Kurt	✓			
TOTAL	5	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

***Only one measure per Record of Votes**