A Bill for an Act Relating to the Public Employees Health Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 87-4.5, Hawaii Revised Statutes, is amended to read as follows:

"§87-4.5 State and county contributions to fund; retired employees with fewer than ten years of service. (a) This section shall apply to state and county contributions to the fund for employees specified in section 87-1(5)(A)(v) who retire after June 30, 1984, with fewer than ten years of credited service, excluding sick leave.

(b) The State through the department of budget and finance and the several counties through their respective departments of finance shall pay to the fund a monthly contribution[:] equal to one-half of the retired employee's monthly

medicare or nonmedicare premium:

For hospital, medical, and surgical benefits of a health benefits plan[, of \$35.52 for the period July 1, 1989, to June 30, 1990, and \$39.06 for the period July 1, 1990, to June 30, 1991,] for each of their respective employee-beneficiaries[, and \$109.30 for the period July 1, 1989, to June 30, 1990, and \$120.22 for the period July 1, 1990, to June 30, 1991, for each respective employee-beneficiary with a dependent-beneficiary] or their respective employee-beneficiaries and their dependent-beneficiaries enrolled under this section[.]

(2) For prescription drug benefits of a health benefits plan[, of \$2.26 for the period July 1, 1990, to June 30, 1991,] for each of their respective employee-beneficiaries[, and \$6.66 for the period July 1, 1990, to June 30, 1991, for each respective employee-beneficiary with a dependent-beneficiary] or their respective employee-beneficiaries and their dependent-beneficiaries enrolled under this section[.];

(3) For vision care benefits of a health benefits plan[, of \$1.72 for the period July 1, 1990, to June 30, 1991,] for each of their respective employee-beneficiaries[, and \$3.40 for the period July 1, 1990, to June 30, 1991, for each respective employee-beneficiary with a dependent-beneficiary] or their respective employee-beneficiaries and their dependent-beneficiaries enrolled under this section[.]; and

(4) For adult dental benefits of a health benefits plan[, of \$5.66 for the period July 1, 1990, to June 30, 1991,] for each of their respective employee-beneficiaries[, and \$11.32 for the period July 1, 1990, to June 30, 1991, for each respective employee-beneficiary with a spouse] or their respective employee-beneficiaries and their spouses enrolled under this section.

[The above contributions shall be used for the payment of the respective component costs of a health benefits plan; provided that the respective monthly contribution shall not exceed the actual cost of each respective component of a health benefits plan.] If both husband and wife are employee-beneficiaries, the total contribution by the State or the appropriate county shall not exceed the monthly contribution of a family plan for both of them.

(c) The State through the department of budget and finance and the several counties through their respective departments of finance shall pay to the fund a

monthly contribution [of \$6.24 for the period July 1, 1989, to June 30, 1990, and \$6.88 for the period July 1, 1990, to June 30, 1991,] equal to the total monthly premium for each child who has not attained the age of nineteen of all employee-beneficiaries who are enrolled [for dental benefits] in the fund's dental plan for children under this section. [The contributions shall be used for the payment of costs of dental benefits of a health benefits plan. Notwithstanding any provisions to the contrary, no part of the fund shall be used to finance the contributions except a rate credit or reimbursement or earnings or interest therefrom received by the fund or general revenues appropriated for that purpose.]

(d) The State through the department of budget and finance and the several counties through their respective departments of finance shall pay to the fund a monthly contribution [of \$2.25] equal to the total monthly premium for each [of their respective employees] retired employee [to be used towards the payment of] enrolled in the fund's group life insurance benefits plan [for each employee

enrolled] under this section.

(e) For the purpose of this section, the retired employee's monthly medicare and nonmedicare premiums for the hospital, medical, and surgical plan, the prescription drug plan, the vision care plan, and the adult dental plan shall be established annually by the board and shall be equal to the retired employee's medicare and nonmedicare premiums for the hospital, medical, and surgical plan, the prescription drug plan, the vision care plan, and the adult dental plan contracted by the fund with the largest enrollments.

[(e)] (f) The State through the department of budget and finance and the several counties through their respective departments of finance shall advance the amount of their respective employee-beneficiaries' contributions to the fund on or

before the first day of each month.

[(f)] (g) Contributions made by the State or the several counties shall not be considered as wages or salary of an employee-beneficiary, and no employee-beneficiary shall have any vested right in or be entitled to receive any part of any contribution made to the fund."

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 1991.

(Approved April 30, 1991.)