
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to article 10A to be
3 appropriately designated and to read as follows:

4 "§431:10A- Group health care coverage; part-time
5 employees. An insurer that provides health care coverage in the
6 state to the regular employees of any group or association shall
7 offer the same coverage to part-time employees of that group or
8 association; provided that per cent of the part-time
9 employees agree to purchase the coverage. The group or
10 association shall not be required by this section to pay any
11 part of the premium for that coverage.

12 For the purposes of this section:

13 "Group or association" shall not include any state or
14 political subdivision of any state, or instrumentality thereof.

15 "Health care" includes hospitalization, surgery, medical or
16 nursing care, drugs, or restorative appliances.



1 "Part-time employee" means a person employed by a single
2 employer for at least , but less than hours per
3 week and for a continuous period of at least .

4 "Regular employee" means a person employed by a single
5 employer for at least twenty hours per week."

6 SECTION 2. Chapter 432, Hawaii Revised Statutes, is
7 amended by adding a new section to article 1 to be appropriately
8 designated and to read as follows:

9 "§432:1- **Group health care coverage; part-time**
10 **employees.** A mutual benefit society in the state whose hospital
11 and medical service corporation contract provides health care
12 coverage for the regular employees of any group or association
13 shall offer the same coverage to part-time employees of that
14 group or association; provided that per cent of the part-
15 time employees agree to purchase the coverage. The group or
16 association shall not be required by this section to pay any
17 part of the premium for that coverage.

18 For the purposes of this section:

19 "Group or association" shall not include any state or
20 political subdivision of any state, or instrumentality thereof.

21 "Health care" includes hospitalization, surgery, medical or
22 nursing care, drugs, or restorative appliances.



1 "Part-time employee" means a person employed by a single
2 employer for at least , but less than hours per
3 week and for a continuous period of at least .

4 "Regular employee" means a person employed by a single
5 employer for at least twenty hours per week."

6 SECTION 3. Chapter 432D, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 **"§432D- Group health care coverage; part-time employees.**

10 A health maintenance organization that issues a policy,
11 contract, plan, or agreement in the state that provides health
12 care coverage for the regular employees of any group or
13 association shall offer the same coverage to part-time employees
14 of that group or association; provided that per cent of
15 the part-time employees agree to purchase the coverage. The
16 group or association shall not be required by this section to
17 pay any part of the premium for that coverage.

18 For the purposes of this section:

19 "Group or association" shall not include any state or
20 political subdivision of any state, or instrumentality thereof.

21 "Health care" includes hospitalization, surgery, medical or
22 nursing care, drugs, or restorative appliances.



1 "Part-time employee" means a person employed by a single
2 employer for at least , but less than hours per
3 week and for a continuous period of at least .

4 "Regular employee" means a person employed by a single
5 employer for at least twenty hours per week."

6 SECTION 4. (a) The insurance commissioner shall prepare a
7 report of the costs and benefits of this Act. The report shall
8 be prepared with the cooperation and assistance of the
9 disability compensation division of the department of labor and
10 industrial relations. The report shall include:

- 11 (1) An evaluation of the success of this Act in providing
12 part-time employees with access to health care
13 coverage;
- 14 (2) An evaluation of the costs to employees, employers,
15 and insurers of providing that coverage;
- 16 (3) Any recommendations concerning this Act; and
- 17 (4) Any other information necessary for a reasonable
18 assessment of the costs and benefits of this Act to be
19 made, and to allow health care coverage to be made
20 available to part-time employees at the lowest
21 possible cost.



1 (b) Each insurer subject to this Act shall submit, at the
2 time and in the form prescribed by the insurance commissioner,
3 the information deemed necessary by the insurance commissioner
4 to complete the report required by this section. In obtaining
5 this information, the insurance commissioner shall seek to
6 minimize an insurer's cost of compliance.

7 (c) The insurance commissioner shall report its findings,
8 recommendations, and any proposed legislation to the legislature
9 no later than twenty days prior to the convening of the regular
10 session of 2011.

11 SECTION 5. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2020, and
13 shall be repealed on July 1, 2011.



Report Title:

Group Health Insurers; Small Business

Description:

Requires insurers that offer health care coverage to the regular employees of any group or association to offer the same coverage to part-time employees working a certain amount of hours per week and for a minimum length of time, if a minimum percentage of the part-time employees agree to purchase coverage. Requires the Insurance Commissioner to submit a cost-benefit report to the Legislature. Effective 07/01/2020. (HB690 HD2)

