
A BILL FOR AN ACT

RELATING TO THE HAWAII PREPAID HEALTH CARE ACT.

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

1 SECTION 1. The legislature finds that for over thirty
2 years, the Hawaii Prepaid Health Care Act has made the State a
3 national leader in providing health care to all of its
4 residents. Due in large part to the prepaid health care act,
5 Hawaii has one of the healthiest populations, the highest rates
6 of insured individuals, and the lowest health insurance costs in
7 the country. While Hawaii is not immune to many of the
8 challenges regarding accessibility, quality, and cost of health
9 care that face the nation as a whole, the Hawaii Prepaid Health
10 Care Act has assured stability in the health insurance market
11 and has made Hawaii a national leader in health care policy.

12 The legislature notes that at the time of the initial
13 passage of the Hawaii Prepaid Health Care Act and at certain
14 other times, such as the federal attempt to enact health care
15 reform in 1993, federal legislation to reform the health care
16 system on a national level has been projected to impact the
17 Hawaii Prepaid Health Care Act. At the time of the Hawaii
18 Prepaid Health Care Act's original passage in 1974, the



1 legislature included a section that triggered the termination of
2 the state law upon passage of greater federal protections. In
3 anticipation of the health care reforms in 1993 that never
4 actually materialized, the legislature in 1994 passed Act 99,
5 which repeals the termination provision of the Hawaii Prepaid
6 Health Care Act to preserve a higher benefit level for the
7 people of Hawaii than that which was predicted to be included in
8 the potential federal law.

9 Current federal health care reform efforts have continued
10 to recognize the special situation created by the Hawaii Prepaid
11 Health Care Act and have preserved Hawaii's higher level of
12 consumer protections by continuing Hawaii's exemption from
13 certain federal laws. Nevertheless, while the legislature
14 wholeheartedly supports the efforts of President Obama and the
15 One Hundred Eleventh Congress to bring the nation closer to
16 universal health coverage, the legislature continues to believe
17 that the Hawaii Prepaid Health Care Act provides superior
18 benefits to the people of Hawaii than does federal legislation
19 on its own. Further, the legislature finds that the reported
20 agenda of the One Hundred Twelfth Congress to dismantle federal
21 health care reforms may jeopardize the Hawaii Prepaid Health
22 Care Act. Therefore, to safeguard the Hawaii Prepaid Health



1 Care Act more completely, the legislature finds it necessary to
2 immediately eliminate language allowing for the automatic repeal
3 of the Hawaii Prepaid Health Care Act from the text of that Act
4 and to eliminate potentially conflicting language regarding the
5 effective date of the Hawaii Prepaid Health Care Act's automatic
6 repeal.

7 SECTION 2. Chapter 393, part V, Hawaii Revised Statutes,
8 is repealed.

9 SECTION 3. Act 99, Session Laws of Hawaii 1994, is
10 repealed.

11 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Hawaii Prepaid Health Care Act

Description:

Repeals the sunset provision of the Hawaii Prepaid Health Care Act. Repeals Act 99, Session Laws of Hawaii 1994, which repealed the sunset provision of the Hawaii Prepaid Health Care Act effective upon the enactment of certain federal law. Upon its approval. (SB41 HD1)

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