
A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

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

1 SECTION 1. The legislature finds that the Patient
2 Protection and Affordable Care Act of 2010 ("Affordable Care
3 Act"), P.L. 111-148, has resulted in an estimated 20,000,000
4 Americans gaining health insurance coverage. The provisions
5 under the Affordable Care Act made changes to private insurance
6 that expanded coverage options, including permitting young
7 adults to remain on their parents' health insurance plans,
8 requiring health insurance plans to cover people with
9 preexisting health conditions, and prohibiting discrimination
10 based on gender. According to a report from the United States
11 Department of Health and Human Services, more than 6,000,000
12 uninsured young adults ages nineteen to twenty-five have gained
13 health insurance coverage due to the Affordable Care Act. This
14 is especially important because young adults were particularly
15 likely to be uninsured before the law went into effect.

16 The legislature further finds that the future of the
17 Affordable Care Act remains uncertain. The current Presidential
18 administration campaigned on a promise to repeal the Affordable



1 Care Act, and certain members of Congress have supported that
2 approach, which could have widespread and devastating
3 ramifications. The Urban Institute has estimated that repealing
4 the Affordable Care Act without an adequate replacement plan
5 that ensures affordable coverage would take health insurance
6 coverage away from 29,800,000 people nationwide by 2019, more
7 than doubling the total number of uninsured to 58,700,000.

8 The legislature concludes that, due to the uncertainty over
9 the future of the Affordable Care Act, it is vital to preserve
10 certain important aspects of the Act for residents of Hawaii.

11 Accordingly, the purpose of this Act is to ensure that the
12 following benefits made available under the Affordable Care Act,
13 which may not otherwise be available under the State's Prepaid
14 Health Care Act, remain available under Hawaii law:

- 15 (1) Extending dependent coverage for adult children until
16 the children turn twenty-six years of age;
- 17 (2) Prohibiting health insurance entities from imposing a
18 preexisting condition exclusion; and
- 19 (3) Prohibiting health insurance entities from using an
20 individual's gender to determine premiums or
21 contributions.



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

4 "§431:10A- Extension of dependent coverage. An
5 individual policy of accident and health or sickness insurance
6 and a health insurer offering individual accident and health or
7 sickness insurance coverage that provides dependent coverage of
8 children shall continue to make that coverage available for an
9 adult child until the child turns twenty-six years of age.

10 Nothing in this section shall require a policy or health insurer
11 to make coverage available for a child of a child receiving
12 dependent coverage.

13 §431:10A- Prohibition of preexisting condition
14 exclusions. (a) No individual policy of accident and health or
15 sickness insurance issued or renewed in this State shall impose
16 any preexisting condition exclusion.

17 (b) For purposes of this section, a "preexisting condition
18 exclusion" means a limitation or exclusion of benefits,
19 including a denial of coverage, based on the fact that the
20 condition was present before the effective date of coverage (or
21 if coverage is denied, the date of the denial) under an



1 individual policy of accident and health or sickness insurance,
2 whether or not any medical advice, diagnosis, care, or treatment
3 was recommended or received before that day, and includes any
4 condition.

5 The term "preexisting condition exclusion" includes any
6 limitation or exclusion of benefits, including a denial of
7 coverage, applicable to an individual as a result of information
8 relating to an individual's health status before the
9 individual's effective date of coverage (or if coverage is
10 denied, the date of the denial) under an individual policy of
11 accident and health or sickness insurance, such as a condition
12 identified as a result of a pre-enrollment questionnaire or
13 physical examination given to the individual or a review of
14 medical records relating to the pre-enrollment period.

15 **§431:10A- Prohibited discrimination in premiums or**
16 **contributions.** No individual policy of accident and health or
17 sickness insurance and no health insurer offering individual
18 accident and health or sickness insurance coverage issued or
19 renewed in this State shall require an individual, as a
20 condition of enrollment or continued enrollment under the
21 policy, to pay a premium or contribution based on the



1 individual's gender that is greater than the premium or
2 contribution for a similarly situated individual of the opposite
3 gender who is covered under the same policy or a substantially
4 similar policy offered by the same insurer."

5 SECTION 3. Chapter 431, Hawaii Revised Statutes, is
6 amended by adding three new sections to part II of article 10A
7 to be appropriately designated and to read as follows:

8 "§431:10A- Extension of dependent coverage. A group
9 policy of accident and health or sickness insurance and a health
10 insurer offering group accident and health or sickness insurance
11 coverage that provides dependent coverage of children shall
12 continue to make that coverage available for an adult child
13 until the child turns twenty-six years of age. Nothing in this
14 section shall require a policy or health insurer to make
15 coverage available for a child of a child receiving dependent
16 coverage.

17 §431:10A- Prohibition of preexisting condition
18 exclusions. (a) No group policy of accident and health or
19 sickness insurance issued or renewed in this State shall impose
20 any preexisting condition exclusion.



1 (b) For purposes of this section, a "preexisting condition
2 exclusion" means a limitation or exclusion of benefits,
3 including a denial of coverage, based on the fact that the
4 condition was present before the effective date of coverage (or
5 if coverage is denied, the date of the denial) under a group
6 policy of accident and health or sickness insurance, whether or
7 not any medical advice, diagnosis, care, or treatment was
8 recommended or received before that day and includes any
9 condition.

10 The term "preexisting condition exclusion" includes any
11 limitation or exclusion of benefits, including a denial of
12 coverage, applicable to an individual as a result of information
13 relating to an individual's health status before the
14 individual's effective date of coverage (or if coverage is
15 denied, the date of the denial) under a group policy of accident
16 and health or sickness insurance, such as a condition identified
17 as a result of a pre-enrollment questionnaire or physical
18 examination given to the individual, or review of medical
19 records relating to the pre-enrollment period.

20 §431:10A- Prohibited discrimination in premiums or
21 contributions. No group policy of accident and health or



1 sickness insurance and no health insurer offering group accident
2 and health or sickness insurance coverage issued or renewed in
3 this State shall require an individual, as a condition of
4 enrollment or continued enrollment under the policy, to pay a
5 premium or contribution based on the individual's gender that is
6 greater than the premium or contribution for a similarly
7 situated individual of the opposite gender who is covered under
8 the same policy or a substantially similar policy offered by the
9 same insurer."

10 SECTION 4. Chapter 432, Hawaii Revised Statutes, is
11 amended by adding three new sections to article 1 to be
12 appropriately designated and to read as follows:

13 "§432:1- Extension of dependent coverage. Each
14 individual or group hospital or medical service plan contract
15 and each mutual benefit society offering individual or group
16 hospital or medical service plan contracts that provide
17 dependent coverage of children shall continue to make that
18 coverage available for an adult child until the child turns
19 twenty-six years of age. Nothing in this section shall require
20 a plan contract to make coverage available for a child of a
21 child receiving dependent coverage.



1 §432:1- Prohibition of preexisting condition exclusions.

2 (a) No individual or group hospital or medical service plan
3 contract issued or renewed in this State shall impose any
4 preexisting condition exclusion.

5 (b) For purposes of this section, a "preexisting condition
6 exclusion" means a limitation or exclusion of benefits,
7 including a denial of coverage, based on the fact that the
8 condition was present before the effective date of coverage (or
9 if coverage is denied, the date of the denial) under an
10 individual or group hospital or medical service plan contract,
11 whether or not any medical advice, diagnosis, care, or treatment
12 was recommended or received before that day and includes any
13 condition.

14 The term "preexisting condition exclusion" includes any
15 limitation or exclusion of benefits, including a denial of
16 coverage, applicable to an individual as a result of information
17 relating to an individual's health status before the
18 individual's effective date of coverage (or if coverage is
19 denied, the date of the denial) under an individual or group
20 hospital or medical service plan contract, such as a condition
21 identified as a result of a pre-enrollment questionnaire or



1 physical examination given to the individual, or review of
2 medical records relating to the pre-enrollment period.

3 §432:1- Prohibited discrimination in premiums or
4 contributions. No individual or group hospital or medical
5 service plan contract and no mutual benefit society offering
6 individual or group hospital or medical service plan contracts
7 issued or renewed in this State shall require an individual, as
8 a condition of enrollment or continued enrollment under the plan
9 contract, to pay a premium or contribution based on the
10 individual's gender that is greater than the premium or
11 contribution for a similarly situated individual of the opposite
12 gender who is covered under the same plan contract or a
13 substantially similar plan contract offered by the same mutual
14 benefit society."

15 SECTION 5. Chapter 432D, Hawaii Revised Statutes, is
16 amended by adding three new sections to be appropriately
17 designated and to read as follows:

18 "§432D- Extension of dependent coverage. Each
19 individual or group policy, contract, plan, or agreement and
20 each health maintenance organization offering individual or
21 group policies, contracts, plans, or agreements that provides



1 dependent coverage of children shall continue to make that
2 coverage available for an adult child until the child turns
3 twenty-six years of age. Nothing in this section shall require
4 a policy, contract, plan, or agreement to make coverage
5 available for a child of a child receiving dependent coverage.

6 **§432D- Prohibition of preexisting condition exclusions.**

7 (a) No individual or group health maintenance organization
8 policy, contract, plan, or agreement issued or renewed in this
9 State shall impose any preexisting condition exclusion.

10 (b) For purposes of this section, a "preexisting condition
11 exclusion" means a limitation or exclusion of benefits,
12 including a denial of coverage, based on the fact that the
13 condition was present before the effective date of coverage (or
14 if coverage is denied, the date of the denial) under an
15 individual or group health maintenance organization policy,
16 contract, plan, or agreement, whether or not any medical advice,
17 diagnosis, care, or treatment was recommended or received before
18 that day and includes any condition.

19 The term "preexisting condition exclusion" includes any
20 limitation or exclusion of benefits, including a denial of
21 coverage, applicable to an individual as a result of information



1 relating to an individual's health status before the
2 individual's effective date of coverage (or if coverage is
3 denied, the date of the denial) under an individual or group
4 health maintenance organization policy, contract, plan, or
5 agreement, such as a condition identified as a result of a pre-
6 enrollment questionnaire or physical examination given to the
7 individual, or review of medical records relating to the pre-
8 enrollment period.

9 **§432D- Prohibited discrimination in premiums or**
10 **contributions.** No individual or group policy, contract, plan,
11 or agreement and no health maintenance organization offering
12 group or individual policies, contracts, plans, or agreements
13 issued or renewed in this State shall require an individual, as
14 a condition of enrollment or continued enrollment under a
15 policy, contract, plan, or agreement, to pay a premium or
16 contribution based on the individual's gender that is greater
17 than the premium or contribution for a similarly situated
18 individual of the opposite gender who is covered under the same
19 policy, contract, plan, or agreement or a substantially similar
20 policy, contract, plan, or agreement offered by the same health
21 maintenance organization."



- 1 SECTION 6. New statutory material is underscored.
- 2 SECTION 7. This Act shall take effect upon its approval.



Report Title:

Health Insurance; Extended Coverage; Preexisting Conditions;
Nondiscrimination

Description:

Ensures certain benefits under the federal Affordable Care Act are preserved under Hawaii law, including: extending dependent coverage for adult children up to 26 years of age; prohibiting health insurance entities from imposing a preexisting condition exclusion; and prohibiting health insurance entities from using an individual's gender to determine premiums or contributions.

(CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

