

---

---

## A BILL FOR AN ACT

RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST  
FUND.

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

1           SECTION 1. Section 87A-23, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§87A-23 Health benefits plan supplemental to medicare.**

4 The board shall establish a health benefits plan, which takes  
5 into account benefits available to an employee-beneficiary and  
6 spouse under medicare, subject to the following conditions:

7           (1) There shall be no duplication of benefits payable  
8           under medicare. The plan under this section, which  
9           shall be secondary to medicare, when combined with  
10          medicare and any other plan to which the health  
11          benefits plan is subordinate under the National  
12          Association of Insurance Commissioners' coordination  
13          of benefit rules, shall provide benefits that  
14          approximate those provided to a similarly situated  
15          beneficiary not eligible for medicare;



1           (2) The State, through the department of budget and  
2           finance, and the counties, through their respective  
3           departments of finance, shall pay to the fund a  
4           contribution equal to an amount not less than the  
5           medicare part B premium, for each of the following who  
6           are enrolled in the medicare part B medical insurance  
7           plan: (A) an employee-beneficiary who is a retired  
8           employee, (B) a spouse of an [employee-beneficiary's  
9           spouse] employee-beneficiary hired prior to July 1,  
10          2021, while the employee-beneficiary is living, and  
11          (C) an employee-beneficiary's spouse, after the death  
12          of the employee-beneficiary, if the spouse qualifies  
13          as an employee-beneficiary. For purposes of this  
14          section, a "retired employee" means retired members of  
15          the employees' retirement system; county pension  
16          system; or a police, firefighters, or bandsmen pension  
17          system of the State or a county as set forth in  
18          chapter 88. If the amount reimbursed by the fund  
19          under this section is less than the actual cost of the  
20          medicare part B medical insurance plan due to an  
21          increase in the medicare part B medical insurance plan



- 1 rate, the fund shall reimburse each employee-  
2 beneficiary and employee-beneficiary's spouse for the  
3 cost increase within thirty days of the rate change.  
4 Each employee-beneficiary and employee-beneficiary's  
5 spouse who becomes entitled to reimbursement from the  
6 fund for medicare part B premiums after July 1, 2006,  
7 shall designate a financial institution account into  
8 which the fund shall be authorized to deposit  
9 reimbursements. This method of payment may be waived  
10 by the fund if another method is determined to be more  
11 appropriate;
- 12 (3) The benefits available under this plan, when combined  
13 with benefits available under medicare or any other  
14 coverage or plan to which this plan is subordinate  
15 under the National Association of Insurance  
16 Commissioners' coordination of benefit rules, shall  
17 approximate the benefits that would be provided to a  
18 similarly situated employee-beneficiary not eligible  
19 for medicare;
- 20 (4) All employee-beneficiaries or dependent-beneficiaries  
21 who are eligible to enroll in the medicare part B



# H.B. NO. 468

1           medical insurance plan shall enroll in that plan as a  
2           condition of receiving contributions and participating  
3           in benefits plans under this chapter. This paragraph  
4           shall apply to retired employees, their spouses, and  
5           the surviving spouses of deceased retirees and  
6           employees killed in the performance of duty; and  
7       (5) The board shall determine which of the employee-  
8           beneficiaries and dependent-beneficiaries, who are not  
9           enrolled in the medicare part B medical insurance  
10          plan, may participate in the plans offered by the  
11          fund."

12       SECTION 2. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14       SECTION 3. This Act shall take effect upon its approval.

15

INTRODUCED BY:



JAN 22 2021



# H.B. NO. 468

**Report Title:**

Hawaii Employer-Union Health Benefits Trust Fund; Medicare Part B Reimbursement; New Hires

**Description:**

Removes medicare part B reimbursement for spouses of employee-beneficiaries hired on or after 7/1/2021.

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

