



GOV. MSG. NO. 1285

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 1, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 1, 2015, the following bill was signed into law:

HB576 HD1 SD1 CD1

RELATING TO THE STATE AFFORDABLE CARE
ACT INNOVATION WAIVER
ACT 184 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

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SENATE
OFFICE OF THE PRESIDENT

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CLERK'S OFFICE
STATE OF HAWAII

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A BILL FOR AN ACT

RELATING TO THE STATE AFFORDABLE CARE ACT INNOVATION WAIVER.

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

1 SECTION 1. Act 158, Session Laws of Hawaii 2014,
2 established a state innovation waiver task force to develop a
3 health care reform plan that meets the requirements for
4 obtaining a state innovation waiver that complies with the
5 federal Patient Protection and Affordable Care Act of 2010,
6 Public Law 111-148 (Affordable Care Act). The plan to be
7 developed by the task force for the waiver is expected to build
8 on the success of chapter 393, Hawaii Revised Statutes, the
9 Prepaid Health Care Act. The task force, which is to be
10 dissolved on June 30, 2017, is temporarily attached to the
11 office of the governor for administrative purposes.

12 In accordance with the terms of the Affordable Care Act, an
13 approvable waiver must include:

- 14 (1) Coverage that is at least as comprehensive as the
15 coverage defined in section 1302(b) of the Affordable
16 Care Act and offered through exchanges;



1 (2) Coverage and cost-sharing protections against
2 excessive out-of-pocket spending that are at least as
3 affordable;

4 (3) Coverage for at least as many residents; and

5 (4) Terms that will not increase the federal deficit.

6 The major tasks for waiver development include:

7 (1) Identification of specific Affordable Care Act
8 provisions that Hawaii seeks to waive;

9 (2) Actuarial analysis and actuarial certifications of
10 required comparability;

11 (3) An economic analysis of the costs and effect on the
12 federal deficit;

13 (4) Development of a ten-year budget;

14 (5) Analysis of the impact on health insurance coverage;

15 (6) Public hearings; and

16 (7) Explicit legislative approval.

17 The purpose of this Act is to facilitate the development of
18 an Affordable Care Act waiver in a timely manner.

19 SECTION 2. Act 158, Session Laws of Hawaii 2014, is
20 amended by amending section 2 as follows:

21 1. By amending subsection (c) to read:



- 1 "(c) The task force shall[+
2 ~~(1) Examine the feasibility of alternative approaches to~~
3 ~~the health reform requirements described under Section~~
4 ~~1332(a)(2) of the federal act;~~
5 ~~(2) Examine alternatives to and possible exemptions or~~
6 ~~waivers from requirements relating to allowable~~
7 ~~premium rate variations based upon age, as described~~
8 ~~in Section 1201 of the federal act;~~
9 ~~(3) Examine the feasibility of options for providing~~
10 ~~affordable insurance coverage for uninsured and~~
11 ~~underinsured individuals in Hawaii through brokers and~~
12 ~~professional employer organizations that include~~
13 ~~innovations to the State's existing medicaid program;~~
14 and
15 ~~(4) Develop] develop a plan for applying for a state~~
16 innovation waiver that meets the requirements of
17 Section 1332 of the federal act, including:
18 ~~[-(A)]~~ (1) Developing a strategy for health care reform that:
19 ~~[-(i)]~~ (A) Provides coverage that is at least as
20 comprehensive as required by the federal act;



1 submit a second interim report to the legislature no later than
2 twenty days prior to the convening of the regular session of
3 2016. The interim reports shall include[+]

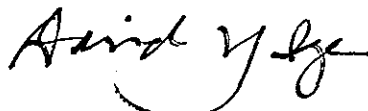
4 ~~(1) Identification]~~ identification of opportunities for
5 state agencies to collaborate on new information
6 technology that will advance the goals of the federal
7 act and state innovation[+ and

8 ~~(2) Recommendations on the allocation of existing moneys~~
9 ~~available for health reform and innovation, including~~
10 ~~any proposed legislation]."~~

11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on July 1, 2015.

APPROVED this 1 day of JUL , 2015



GOVERNOR OF THE STATE OF HAWAII

