

---

---

# HOUSE CONCURRENT RESOLUTION

REQUESTING THE PRESIDENT OF THE UNITED STATES TO EXEMPT HAWAII,  
THROUGH EXECUTIVE ORDER, FROM THE FEDERAL PATIENT  
PROTECTION AND AFFORDABLE CARE ACT AND REQUESTING THE  
SUPPORT OF HAWAII'S CONGRESSIONAL DELEGATION.

1           WHEREAS, Hawaii leads the nation in the percentage of  
2 residents with health insurance coverage because, under the  
3 Hawaii Prepaid Health Care Act, Hawaii employers are required to  
4 provide all full-time employees with health insurance coverage,  
5 resulting in a very small number of uninsured residents; and  
6

7           WHEREAS, United States President Barack Obama signed the  
8 Patient Protection and Affordable Care Act into law requiring  
9 all Americans to have health insurance coverage after January 1,  
10 2014, and prohibiting insurers from using loss-experience rating  
11 to set insurance premiums; and  
12

13           WHEREAS, the Patient Protection and Affordable Care Act  
14 further made it discretionary for states to implement an age-  
15 based rating system, pursuant to 42 U.S.C. section 300gg(a)(1),  
16 and delay small business health options programs pursuant to 45  
17 C.F.R. section 155.705; and  
18

19           WHEREAS, due to the Patient Protection and Affordable Care  
20 Act's age-based rating mandate, health insurance prices for  
21 small business employers, specifically employers that employ  
22 less than fifty employees, have risen to such a level that small  
23 businesses in Hawaii have little incentive to provide health  
24 insurance for their older workers; and  
25

26           WHEREAS, small business employers are reacting to the  
27 rising prices of health insurance by terminating or reducing  
28 work hours of older workers to avoid providing health insurance;  
29 and  
30



1 WHEREAS, these older workers, whether terminated from  
2 employment or employed part-time, increase Hawaii's uninsured  
3 population gap; and  
4

5 WHEREAS, the State implemented the Hawaii Health Connector  
6 in 2011, in response to the Patient Protection and Affordable  
7 Care Act's mandate for all states to offer a marketplace for  
8 health insurance coverage by establishing a financially  
9 sustainable health insurance exchange; and  
10

11 WHEREAS, the Patient Protection and Affordable Care Act  
12 does not require termination of individual or small group plans  
13 in which an individual was enrolled on or before March 23, 2010,  
14 also known as "grandfathered health plans"; and  
15

16 WHEREAS, recent transitional policies announced by the  
17 United States Department of Health and Human Services allow  
18 health insurance issuers to continue certain coverage through  
19 October 1, 2016, that would otherwise be canceled for  
20 noncompliance with the Patient Protection and Affordable Care  
21 Act market reforms; and  
22

23 WHEREAS, grandfathered health plans and transitional  
24 policies have prevented sustainability of the Hawaii Health  
25 Connector by restricting enrollment; and  
26

27 WHEREAS, the Hawaii Health Connector originally estimated  
28 that it would serve an uninsured population of about one hundred  
29 thousand persons; however, current estimates have reduced the  
30 number of potential enrollees to fifty thousand persons, due to  
31 predictions that roughly half of the estimated population  
32 qualify for Medicaid; and  
33

34 WHEREAS, an enrollment of fifty thousand persons with the  
35 Hawaii Health Connector is insufficient to establish financial  
36 sustainability for the Hawaii Health Connector, and its  
37 financial losses are drastically exacerbated by the current  
38 enrollment of about five thousand persons; and  
39

40 WHEREAS, the Patient Protection and Affordable Care Act is  
41 moving Hawaii away from the goal of universal healthcare  
42 coverage because its required health care reforms have actually  
43 increased Hawaii's uninsured population gap through age-based  
44 rating; now, therefore,



1  
 2 BE IT RESOLVED by the House of Representatives of the  
 3 Twenty-seventh Legislature of the State of Hawaii, Regular  
 4 Session of 2014, that the President of the United States is  
 5 requested to exempt Hawaii, by Executive Order, from the  
 6 mandates of the Patient Protection and Affordable Care Act; and  
 7

8 BE IT FURTHER RESOLVED that Hawaii's congressional  
 9 delegation is requested to support Hawaii's request for an  
 10 exemption from the Patient Protection and Affordable Care Act;  
 11 and  
 12

13 BE IT FURTHER RESOLVED that certified copies of this  
 14 Resolution be transmitted to the President of the United States  
 15 and the members of Hawaii's congressional delegation.  
 16  
 17  
 18

OFFERED BY:

John M. Hironaka  
Cindy Evans

OK  
Wright  
Halesline  
Crawford  
John Smith  
Scott . Sun

