

## **Affordable Care Act State Innovation Waiver: Public Hearings for Transparency and Community Input in Hawai'i**

Transparency and community input are important aspects of any state's development process for seeking an Affordable Care Act ("ACA") State Innovation Waiver. In Hawai'i this was accomplished by complying with all public agency meeting requirements ("sunshine laws"), which included managing meetings of task force members according to law; posting meeting agendas publicly within the required timeframe; holding meetings in publicly-accessible venues; and publishing meeting materials, testimony, and reports on the Governor's website.

As required by the ACA in §1332(a)(4)(B)(i), when the task force had agreed upon a draft proposal, public hearings were held in accordance with CFR §33.112 and §155.1312, which address state public notice requirements. Public hearing notices and the written draft proposal were duly posted on the Governor's website and information was distributed to the media and interested parties at least two weeks before hearings commenced. In addition, task force chair, Beth Giesting, was interviewed on-air by Hawai'i Public Radio about the waiver and scheduled public hearings.

In order to accommodate Hawai'i's diverse island geography, hearings were held in seven locations on six islands, as follows:

<b>Kaua'i</b>	<b>September 14, 2015, 2:00 p.m. – 4:00 p.m.</b> <b>Kaua'i Community College Cafeteria</b> <b>3-1901 Kaunualii Highway</b> <b>Lihu'e, Hawai'i</b>
<b>Maui</b>	<b>September 18, 2015, 10:00 a.m. – noon</b> <b>J. Walter Cameron Center Auditorium</b> <b>95 Mahalani Street</b> <b>Wailuku, Hawai'i</b>
<b>Kona</b>	<b>September 21, 2015, 10:00 a.m. – noon</b> <b>County Council Chambers at the West Hawaii Civic Center, Building A</b> <b>74-677 Kealakehe Pkwy</b> <b>Kailua-Kona, Hawai'i</b>
<b>O'ahu</b>	<b>September 23, 2015, 2:00 – 4:00 p.m.</b> <b>The Queen's Conference Center, Room 200</b> <b>1301 Punchbowl Street</b> <b>Honolulu, Hawai'i</b>
<b>Hilo</b>	<b>September 25, 2015, 10:00 a.m. – noon</b>

University of Hawai'i at Hilo, College of Hawaiian Language, Hale'olelo,  
Lumi Pāhiahia (Performing Arts Hall)  
200 West Kawili Street  
Hilo, Hawai'i

**Lana'i**                      **September 29, 2015, 1:00 – 3:00 p.m.**  
**Lana'i Senior Center**  
**309 7th Street**  
**Lana'i City, HI**

**Moloka'i**                      **October 2, 2015, 10:00 a.m. – 12:00 noon**  
**Kaunakakai Civic Center, Room 105**  
**Corner of Maka'ena and Ala Malama**  
**Kaunakakai, HI**

To augment communication and enhance interest in the hearings, the Governor's Office organized them to include an overview and in-depth discussion of three important executive-level Affordable Care Act-related initiatives:

1. The proposed Hawai'i ACA Waiver.
2. The strategies being developed as part of a State Innovation Models (SIM) Planning grant supported by the Centers for Medicare and Medicaid Innovation.
3. A "No Wrong Door" three-year plan supported by the federal Agency for Community Living intended to enhance access to services for the elderly, people with disabilities, and veterans (due to grant constraints this plan was not included in the public hearings on Lana'i and Moloka'i).

A copy of the combined presentations shared at the public hearings is attached.

The Governor's Office hosted the public hearings with Deputy Chief of Staff, Laurel Johnston, serving as convener. Task force chair and Health Care Innovation Director, Beth Giesting, presented the ACA Waiver Proposal. SIM Project Director, Joy Soares, presented strategies and priorities for SIM. No Wrong Door Project Lead, Debbie Shimizu, presented the project's three-year plan. In the public hearings where break-out groups were indicated, each presenter facilitated discussion of her respective program.

Attendance for all seven public hearings totaled 163 with considerable variation by island, as follows:

Kaua'i	15	Hilo	10
Maui	40	Lana'i	25
Kona	9	Moloka'i	9
Honolulu	55	<b>TOTAL</b>	<b>163</b>

At the four public hearings where topics were discussed in break-out groups, only thirteen people participated in the ACA waiver discussions. In the three public hearings where all topics were discussed in one large group, few questions or comments were directed to the waiver proposal. A summary of the ACA Waiver proposal discussion is attached, which reflects:

- Agreement with aligning ACA requirements with those of the Prepaid Health Care Act, and
- Strong support for maintaining all of the Essential Health Benefits, noting specifically the importance of prescription drug coverage and dental care for children.

## Attachment 1:

### Notes from ACA Public Hearings

#### Summary of comments pertinent to proposed waiver

- Support EHB.
  - Prescription drugs necessary and too expensive for individuals, families to purchase.
  - Dental coverage for kids important.
- Concern about employer compliance with PHCA.
- Questions about legislative process and next steps.
- Suggested amendment to clarify that employers can pair a medical plan with stand-alone dental plan in order to comply with EHB

#### **Kauai, Sept. 14, 2015**

---

15 people attended. 3 people in ACA break-out

#### ACA Waiver questions/comments:

- How would the small business tax credit be distributed?
- How can individuals get coverage now outside of open enrollment in qualifying circumstances?
- Supports alignment with the Prepaid Health Care Act (“Prepaid”).
- Supports retaining dental and vision as EHB. Kids’ access to dental is a problem, esp. QUEST (Medicaid in Hawaii).
- Would not support waiving the prescription drug benefit. Families can’t afford to pay for coverage.
- Appreciates a proactive proposal to ensure that Prepaid remains the standard for Hawaii.
- Prepaid with the EHB is an excellent package of benefits should be retained.

#### **Maui, Sept. 18, 2015**

---

40 people attended. 4 people in ACA break-out.

#### ACA Waiver questions/comments:

- Why does county cover less than other employers under Prepaid?
- Why doesn’t Hawaii have a Medicaid buy-in program?
- Will navigators/assistor still be available to help? Clients have complex issues that require individual attention. Many don’t understand health insurance or how HI health care system works. Kokua have been very helpful.
- Job Corps kids from Marshall Islands may be over 18. They all need insurance. How can they get Medicaid coverage?
- What alternatives for dental care are there for adults? Job Corps enrollees who can’t get Medicaid have bad teeth and no access to care.
- How does Prepaid work?
- Supports all the EHB. Would like dental and vision benefits to be available for adults as well.

- Prescriptions drugs are essential but cost too much for individuals/families to purchase. Why go to the doctor if you can't get the prescription?
- Dental access is a big problem.
- What is waiver process? What do legislators need to know and do?
- How can individuals in special circumstances (lose employer coverage, move to Hawaii, other) get individual coverage outside of open enrollment period?
- How would federal subsidies be made available for tax credit?
- Do individuals need to re-enroll? Can they still use the Hawaii Health Connector?

### **Kona, Sept. 21, 2015**

---

9 people attended. 1 person in ACA break-out

#### ACA Waiver questions/comments:

- Likes the idea of waiving SHOP exchange.
- Why would Hawaii waive co-op and multi-state plans? Should include to encourage competition.
- Likes administering small business tax credit in Hawaii. When can small businesses start getting it?
- Why don't we get rid of Prepaid?
- Why don't we support Health Savings Accounts (HSAs)? Having more benefit options would be good and HSAs would save both employer and employee money.
- Some employers don't comply with prepaid. Employees are afraid to complain.
- Kaiser bundles the premium for prescription coverage with medical so a different employer-employee cost share arrangement than required under Prepaid would be impossible.
- Prepaid requirements reduce employers' ability to invest more in business
- Prepaid should be changed so that employees have to work at least 30 hours week and businesses with fewer than 2 employees should be exempt. Any employed individuals who love coverage under these proposed changes can get coverage with tax credits on the individual exchange.

### **Honolulu, Sept. 23, 2015**

---

55 people attended. 5 people in ACA break-out.

#### ACA Waiver questions/comments:

- Why didn't Hawaii get a waiver from the beginning?
- How does Prepaid work?
- What is the process for getting legislative approval and completing the waiver application?
- Hawaii isn't complying with all the EHB requirements for preventive/wellness services.
- Not all employers comply with Prepaid.
- Prescription drug abuse is growing concern.

### **Hilo, Sept. 25, 2015**

---

10 people attended. Did not break-out.

No questions or comments were directed to the ACA Waiver Proposal

### **Lanai, Sept. 29, 2015**

---

25 people attended. Did not break-out.

#### ACA Waiver questions/comments:

- How would the waiver affect 89-day hires? [*These are temporarily employed state workers who are exempt from Prepaid*]
- Why would Hawaii even think of waiving any of the EHBs?
- How does this keep people from losing their homes in the event of catastrophic medical costs like long term care?

A member of the Maui County Council from Lanai submitted written testimony offering support for the waiver proposal.

### **Molokai, Oct. 2, 2015**

---

9 people attended. Did not break-out.

#### ACA Waiver questions/comments:

- There is concern about the increasing cost of premiums, generally, and about higher cost for older workers and older people who are self-employed.
- Prepaid is better than ACA requirements.
- Long term care is a concern.
- 89-day hires are a problem don't get coverage.
- Choices for individuals on the exchange are not always that good. People don't understand how to choose and may get bad coverage for their needs because they go by price.

## **Attachment 2: Public Hearing Notices**

**State of Hawai'i  
Office of the Governor**

### **Notice of Public Hearing**

The Office of the Governor is developing three significant plans to improve health insurance coverage, health care, and access to health services and will be inviting the public to learn about and comment on the three plans at a combined public hearing. The three initiatives are as follows:

#### **Proposed Waiver of Certain Provisions of the Patient Protection and Affordable Care Act**

##### **Health Innovation Plan for Improving Behavioral Health**

##### **“No Wrong Door” Plan for Improving Access to Services for Older Adults, Individuals with Disabilities, and Veterans**

Public hearings will be held:

<b>Kaua'i</b>	<b>September 14, 2015, 2:00 p.m. – 4:00 p.m. Kaua'i Community College Cafeteria 3-1901 Kaunualii Highway Lihu'e, Hawai'i</b>
<b>Maui</b>	<b>September 18, 2015, 10:00 a.m. – noon J. Walter Cameron Center Auditorium 95 Mahalani Street Wailuku, Hawai'i</b>
<b>Kona</b>	<b>September 21, 2015, 10:00 a.m. – noon County Council Chambers at the West Hawaii Civic Center, Building A 74-677 Kealakehe Pkwy Kailua-Kona, Hawai'i</b>
<b>O'ahu</b>	<b>September 23, 2015, 2:00 – 4:00 p.m. The Queen's Conference Center, Room 200</b>

**1301 Punchbowl Street  
Honolulu, Hawai'i  
(please do not park in the structures for the Physicians  
Office Buildings)**

**Hilo**

**September 25, 2015, 10:00 a.m. – noon  
University of Hawai'i at Hilo, College of Hawaiian Language,  
Hale'ōlelo, Lumi Pāhiahia (Performing Arts Hall)  
200 West Kawili Street  
Hilo, Hawai'i**

Special accommodations (interpreter, sign language interpreter, or large print materials) may be arranged upon request. Please email [Teal.M.Takayama@hawaii.gov](mailto:Teal.M.Takayama@hawaii.gov) or call 808-586-0111 at least one week in advance of the public hearing for which the special accommodations are needed. All hearing rooms will be wheel-chair accessible.

Additional information on each of the plans to be discussed is below.

---

**Proposed ACA Waiver.** The State of Hawai'i proposes to request a waiver of certain provisions of the federal Patient Protection and Affordable Care Act ("ACA"), also known as "Obamacare." The items proposed for waiver or amendment are summarized as follows:

- 1. Waive the Small Business Health Options Program (SHOP) as the small business marketplace.**
- 2. Maintain employee protections and choice provisions as they exist under Prepaid.**

*Note that the State is maintaining access to affordable health insurance coverage for individuals via the "Supported State-Based Marketplace" as the Hawai'i Health Connector is being shut down. This change in structure does not require a waiver.*

A full copy of the DRAFT waiver proposal is available to the public at: <http://governor.hawaii.gov/healthcareinnovation/healthcare-transformation/>.

Comment is welcome up to and including October 31, 2015 and may be submitted by

- Email to [healthinnovation@hawaii.gov](mailto:healthinnovation@hawaii.gov) (please type "ACA Waiver" in subject line)
- Fax at 808-586-0019
- Phone at 808-586-0034, or
- Mail to ACA WAIVER

Hawai'i State Capitol  
415 S. Beretania St., Room 415  
Honolulu, Hawai'i 96813



---

**Proposed Health Innovation Plan for Improving Behavioral Health.** The State of Hawai'i is preparing a plan for early identification and treatment of behavioral health (mental illness and substance use) concerns. With a goal of supporting healthy families, strategies will address the needs of both children and adults, and will start with people covered by Med-QUEST. The plan proposes strategies for the following priorities:

- 1. Reduce smoking, drinking, and drug use by pregnant women via screening and brief interventions with referrals as needed.**
- 2. Help primary care providers identify and treat behavioral health needs by**
  - a. Expanding the availability of community health workers, behavioral health providers, and community pharmacists to support primary care;**
  - b. Using telehealth to make mental health services more readily available; and**
  - c. Identifying measures of effectiveness and payment strategies that support behavioral health care.**
- 3. Make sure patients get the best care by helping clinicians know when and how to exchange information appropriately.**

A full copy of the DRAFT waiver proposal is available to the public at: <http://governor.hawaii.gov/healthcareinnovation/healthcare-transformation/>.

Comment is welcome up to and including October 31, 2015 and may be submitted by

- Email to [healthinnovation@hawaii.gov](mailto:healthinnovation@hawaii.gov) (please type "Health Innovation Plan" in subject line)
- Fax at 808-586-0019
- Phone at 808-586-0034, or
- Mail to HEALTH INNOVATION PLAN  
Hawai'i State Capitol  
415 S. Beretania St., Room 415  
Honolulu, Hawai'i 96813

---

**No Wrong Door Network.** The State of Hawai'i drafted a 3-year plan to develop a "No Wrong Door" system. This is a single statewide system of access to long term services and supports for older adults, individuals with disabilities and veterans. The plan proposes to:

- 1. Enhance the current Aging and Disability Resource Centers (ADRCs) to build a network of services, not only for older adults but also for individuals with disabilities and for veterans**
- 2. Improve coordination and streamline referral processes between agencies**
- 3. Reduce duplication of information**
- 4. Develop an infrastructure for training on person-centered counseling**

## 5. Develop sustainable funding for the network

A copy of the proposed 3-year plan is available to the public at:

[https://drive.google.com/file/d/0B\\_FNUnc6VCqgSzJUVFpZbXh0NGc/view?pli=1](https://drive.google.com/file/d/0B_FNUnc6VCqgSzJUVFpZbXh0NGc/view?pli=1)

Comment is welcome up to and including October 31, 2015 and may be submitted by

- Email to [healthinnovation@hawaii.gov](mailto:healthinnovation@hawaii.gov) (please type “No Wrong Door” in subject line)
- Fax at 808-586-0019
- Phone at 808-586-0034, or
- Mail to NO WRONG DOOR

Hawai'i State Capitol  
415 S. Beretania St., Room 415  
Honolulu, Hawai'i 96813



**3. Waive the Small Business Health Options Program (SHOP) as the small business marketplace.**

**4. Maintain employee protections and choice provisions as they exist under Prepaid.**

*Note that the State is maintaining access to affordable health insurance coverage for individuals via the “Supported State-Based Marketplace” as the Hawai’i Health Connector is being shut down. This change in structure does not require a waiver.*

A full copy of the DRAFT waiver proposal is available to the public at: <http://governor.hawaii.gov/healthcareinnovation/healthcare-transformation/>.

Comment is welcome up to and including October 31, 2015 and may be submitted by

- Email to [healthinnovation@hawaii.gov](mailto:healthinnovation@hawaii.gov) (please type “ACA Waiver” in subject line)
- Fax at 808-586-0019
- Phone at 808-586-0034, or
- Mail to ACA WAIVER

Hawai’i State Capitol  
415 S. Beretania St., Room 415  
Honolulu, Hawai’i 96813

---

**Proposed Health Innovation Plan for Improving Behavioral Health.** The State of Hawai’i is preparing a plan for early identification and treatment of behavioral health (mental illness and substance use) concerns. With a goal of supporting healthy families, strategies will address the needs of both children and adults, and will start with people covered by Med-QUEST. The plan proposes strategies for the following priorities:

- 4. Reduce smoking, drinking, and drug use by pregnant women via screening and brief interventions with referrals as needed.**
- 5. Help primary care providers identify and treat behavioral health needs by**
  - a. Expanding the availability of community health workers, behavioral health providers, and community pharmacists to support primary care;**
  - b. Using telehealth to make mental health services more readily available; and**
  - c. Identifying measures of effectiveness and payment strategies that support behavioral health care.**
- 6. Make sure patients get the best care by helping clinicians know when and how to exchange information appropriately.**

A full copy of the DRAFT waiver proposal is available to the public at: <http://governor.hawaii.gov/healthcareinnovation/healthcare-transformation/>.

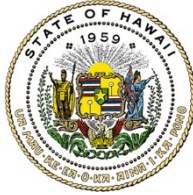
Comment is welcome up to and including October 31, 2015 and may be submitted by

- Email to [healthinnovation@hawaii.gov](mailto:healthinnovation@hawaii.gov) (please type "Health Innovation Plan" in subject line)
- Fax at 808-586-0019
- Phone at 808-586-0034, or
- Mail to HEALTH INNOVATION PLAN

Hawai'i State Capitol  
415 S. Beretania St., Room 415  
Honolulu, Hawai'i 96813

---

## Attachment 3: Media Releases



**DAVID Y. IGE**  
GOVERNOR

### **Governor announces statewide public briefings on plans for healthcare innovation**

**FOR IMMEDIATE RELEASE**

September 11, 2015

HONOLULU -- The Governor's office today announced a series of statewide public briefings on three health care initiatives meant to improve insurance coverage, health care access, and coordination of care. The public briefing will cover the following proposals:

- The state's proposed waiver from the Patient Protection and Affordable Care Act (ACA), developed with input from the Affordable Care Act Waiver Taskforce, which seeks to preserve Hawaii's Prepaid Health Care Act while also complying with the federal health care law.
- A plan to improve behavioral health conditions such as depression, anxiety, and excessive alcohol consumption by incorporating screening and treatment for behavioral health needs with innovations in workforce, telehealth, training, and incentives. This plan is being developed in conjunction with the Department of Human Services, Med-QUEST Division, and the Department of Health.
- The state's "No Wrong Door" plan, which seeks to help individuals and their caregivers receive person-centered counseling to access health-related long-term services and supports. The No Wrong Door network will include

state agencies and private non-profit agencies that provide support to seniors, persons with disabilities, and veterans.

Public hearings will be held:

**Kaua'i**

**September 14, 2015, 2:00 p.m. – 4:00 p.m.**

**Kaua'i Community College Cafeteria**

**3-1901 Kaumuali'i Highway**

**Lihu'e, Hawai'i**

**Maui**

**September 18, 2015, 10:00 a.m. – noon**

**J. Walter Cameron Center Auditorium**

**95 Mahalani Street**

**Wailuku, Hawai'i**

**Kona**

**September 21, 2015, 10:00 a.m. – noon**

**County Council Chambers at the West Hawaii Civic Center, Building A**

**74-677 Kealakehe Pkwy**

**Kailua-Kona, Hawai'i**

**O'ahu**

**September 23, 2015, 2:00 – 4:00 p.m.**

**The Queen's Conference Center, Room 200**

**1301 Punchbowl Street**

**Honolulu, Hawai'i**

**(Please do not park in the structures for the Physicians Office Buildings)**

**Hilo**

**September 25, 2015, 10:00 a.m. – noon**

**University of Hawai'i at Hilo, College of Hawaiian Language, Hale'ōlelo, Lumi**

**Pāhiahia (Performing Arts Hall)**

**200 West Kawili Street**

## **Hilo, Hawai'i**

For more information, please visit <http://governor.hawaii.gov/healthcareinnovation/public-notice-and-proposed-plans/>.

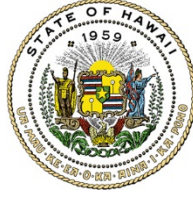
###

### **Media Contacts:**

Jodi Leong  
Deputy Communications Director/Press Secretary  
Office: 808-586-0043  
Mobile: 808-798-3929  
[jodi.c.leong@hawaii.gov](mailto:jodi.c.leong@hawaii.gov)

Cindy McMillan  
Communications Director  
Office: 808-586-0012  
Mobile: 808-265-7974  
[cindy.mcmillan@hawaii.gov](mailto:cindy.mcmillan@hawaii.gov)





**DAVID Y. IGE**  
GOVERNOR

## **State heading to Molokaʻi, Lānaʻi for public briefings on health care innovation**

**FOR IMMEDIATE RELEASE**

September 24, 2015

HONOLULU -- The Governor's office will provide public briefings on Lānaʻi and Molokaʻi as part of a statewide effort to share health care innovation plans and get community feedback. Two health care initiatives meant to improve insurance coverage, health care access and coordination of care will be addressed in the following proposals:

- The state's proposed waiver from the Patient Protection and Affordable Care Act (ACA), developed with input from the Affordable Care Act Waiver Taskforce, which seeks to preserve Hawaii's Prepaid Health Care Act while also complying with the federal health care law.
- A plan to improve behavioral health conditions such as depression, anxiety, and excessive alcohol consumption by incorporating screening and treatment for behavioral health needs with innovations in workforce, telehealth, training, and incentives. This plan is being developed in conjunction with the Department of Human Services, Med-QUEST Division, and the Department of Health.

Public hearings will be held at:

**Lanai**

**September 29, 2015, 1:00 – 3:00 p.m.**

Lanai Senior Center  
309 7th Street  
Lanai City, HI 96763

**Molokai**

**October 2, 2015, 10:00 a.m. – 12:00 noon**  
**Kaunakakai Civic Center, Room 105**  
**Corner of Makaena and Ala Malama**  
**Kaunakakai, HI 96748**

For more information, please

visit <http://governor.hawaii.gov/healthcareinnovation/public-notice-and-proposed-plans/>.

###

**Media Contacts:**

Jodi Leong

Deputy Communications Director/Press Secretary

Office: 808-586-0043

Mobile: 808-798-3929

[jodi.c.leong@hawaii.gov](mailto:jodi.c.leong@hawaii.gov)

Cindy McMillan

Communications Director

Office: 808-586-0012

Mobile: 808-265-7974

[cindy.mcmillan@hawaii.gov](mailto:cindy.mcmillan@hawaii.gov)

**Attachment 4: Combined Presentation**

**ACA Waiver Proposal  
State Innovation Models Proposal  
No Wrong Door Plan**



# ACA WAIVER PROPOSAL

Preserving Prepaid & Adding the Best of the ACA\*

*\*The Patient Protection and Affordable Care Act or "Obamacare"*

September 2015

# WHAT DOES THE ACA DO?

- Access and Care
- Payment for quality and outcomes
- Insurance coverage

# ACA INSURANCE GOALS

- Everybody to be insured
- Insurance benefits cover essentials
- Employers participate
- Consumers protected  
(out-of-pocket costs, pre-existing conditions)

# ACA INSURANCE COVERAGE

## ✓ Exchange for Individuals

- Mandate that everybody has insurance
- Tax credits on exchange make coverage affordable

# ACA INSURANCE COVERAGE

- ✓ Exchange for Small Businesses (SHOP)
  - Increase transparency, competition
  - Simplify purchase
  - Enable employee choice
  - Provide tax incentives



# ACA INSURANCE BENEFITS

## ✓ 10 “Essential Health Benefits”

- |                                   |                                         |
|-----------------------------------|-----------------------------------------|
| 1. Ambulatory care                | 6. Prescription drugs                   |
| 2. Emergency care                 | 7. Rehabilitative/habilitative services |
| 3. Hospitalization                | 8. Laboratory services                  |
| 4. Maternity and newborn care     | 9. Preventive and wellness services     |
| 5. Mental health, substance abuse | 10. Pediatric medical, dental, vision   |

## ACA EMPLOYER CONTRIBUTION

- ✓ Large businesses required to offer insurance
  - ACA doesn't mandate coverage by small employers but provides incentives.

*Note: Prepaid mandate prevails in Hawaii.*

## ACA CONSUMER PROTECTIONS

- ✓ No exclusions for pre-existing conditions
- ✓ No upper limit for benefit costs
- ✓ Caps out-of-pocket costs

# ACA IN HAWAII

## Hawaii Shares ACA Goals

- Near-universal coverage
- Insurance benefits cover essentials
- Employers participate via Prepaid
- Consumers protected –
  - Out-of-pocket costs
  - Pre-existing conditions

# ACA IN HAWAII

## Hawaii Health Connector Created to Comply with ACA

- Developed Individual Exchange
  - Determine eligibility (Medicaid or tax credits)
  - Support enrollment in plans
  - Manage individual tax credits and cost-share reductions
- Developed Small Business Exch. (SHOP)
  - Display employee choices
  - Support enrollment in plans
  - Aggregate premiums for employers
  - Certify eligibility for employer tax credits

# ACA IN HAWAII

## Health Connector, as it turned out

- Complex, expensive to develop and maintain
- Low volume of individuals (few uninsured)
- SHOP little used by businesses (Prepaid)

## Current status

- Individual enrollment moving to federal exchange
- Businesses purchasing directly in lieu of SHOP

# ACA IN HAWAII

Prepaid Health Care Act (since 1974) is a key to Hawaii's insurance success

- Most working people and dependents covered
- Large and small businesses participate
- Good consumer benefits and protections

Hawaii needs waiver to officially align ACA to Prepaid

## ACA WAIVERS

- Not available until 2017
- Can waive only some provisions:
  - Essential health benefits
  - Insurance Exchanges
  - Tax credits
  - Individual and employer responsibility



# ACA WAIVER FOR HAWAII

## *Hawaii Waiver Proposal:*

- ✓ Waive SHOP exchange
- ✓ Align ACA with Prepaid
  - Insurance benefits and payment
  - Employee eligibility
  - Employee choice

# ACA WAIVER FOR HAWAII

## ACA Small Employer Tax Credit

- Businesses up to 25 employees
- Average annual wage < \$50,000
- Credit up to 50%
- Available up to 2 years

# ACA WAIVER FOR HAWAII

- ✓ Request equivalent amount for Premium Assistance Program

Administered in Hawaii as part of Prepaid

# ACA WAIVER FOR HAWAII

Proposed waiver does not affect  
coverage for uninsured individuals

Will use “Supported State-Based Exchange”

# ACA WAIVER FOR HAWAII

## ✓ Proposed waiver: Align with Prepaid

1. No SHOP exchange
2. No co-op or multi-state insurers
3. No benefit plans inferior to Prepaid
4. Employer decides which plans are available to employees
5. Small employer tax credit administered in Hawaii

**Also under discussion: differences in Prepaid vs. ACA benefits**

**MAHALO!**

More information and feedback:

<http://governor.hawaii.gov/>