DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

Amendments to Chapter 14-51
Hawaii Administrative Rules

August 22, 2003

SUMMARY

1. §14-51-2 is amended.

2. §14-51-24(a) is amended.

3. §14-51-81 is amended.

DEPT. OF HUMAN RESOURCES DEVELOPMENT STATE OF HAWAII
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LABOR RELATIONS DIV HUMAN RESOURCES DEV STATE OF HAWAII

§14-51-2 Definitions. ***

"Component plan" means:

(1) Any health benefit plan provided by or through an entity (e.g., the Hawaii employer-union health benefits trust fund under chapter 87A, HRS) authorized by statute to administer the State's health benefits plans, which is an "accident or health plan" within the meaning of section 105(e) of the Code and requires employee contributions; and

(2) Any employee organization health benefit plan approved for employer contribution transfers by the board of trustees authorized by statute to oversee the administration of the State's health benefits plans, provided that the plan provides to the plan administrator such information and documentation as the plan administrator may determine to be necessary or desirable, at any time and from time to time, to establish to the plan administrator's satisfaction that each of the following requirements has been met by the plan:

(A) The component plan is an "accident or health plan" within the meaning of section 105(e) of the Code; and

(B) Any other requirements applicable to the determination of whether benefits provided under the plan constitute "qualified benefits" within the meaning of regulations promulgated under section 125 of the Code are satisfied.

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[Eff. 12/15/89; am 10/26/98; am SEP 29 2003] (Auth: HRS §78-30) (Imp: HRS §§ 78-30, 87-1, 87A-1)

§14-51-24 Voluntary changes in elections. (a) A benefit election may be voluntarily canceled or changed prior to the end of a period of coverage, if both of the following conditions are met:

(1) The cancellation or change is on account of and is consistent with a change in status, which includes such events as: marriage, divorce, or annulment of marriage; employment or loss of employment of a spouse which results in a change in health care coverage available from the spouse's employer; birth or adoption of a child, or addition of a foster child; death of the employee's spouse or dependent child; loss of eligibility of the last dependent child for coverage under the employee's health care plan; termination or commencement of employment; reduction or increase in hours of employment by the employee, spouse, or dependent; commencement or return from an unpaid leave of absence; transfer to a non-eligible employment classification; moving from the geographic area covered by the employee's carrier's plan or moving into an area where other component plans are available; a change to a new employment classification where other component plans are available or where the employee's carrier's plan is not available; and the joining of eligible dependents to the employee's household; and

(2) A corresponding cancellation or change in the employee's component plan enrollment is acceptable under the administrative rules of the entity authorized by statute to administer the State's health benefits plans.

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[Eff. 12/15/89; am 10/26/98; am SEP 29 2003]
(Auth: HRS §76-17) (Imp: HRS §78-30)

§14-51-81 Acceptance of the employee organization salary reduction certification; employee organization responsibility. Unless otherwise mutually agreed to, the employee organization shall submit a list of all eligible employees who selected component plan(s) through the employee organization and certify that the employees have authorized the employer to make the appropriate salary reduction for the select component plan(s). The employee organization shall remain responsible for errors and omissions contained in the certified information provided to the plan administrator. [Eff. 12/15/89; am SEP 29 2003] (Auth: §78-30) (Imp: §78-30)

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

Amendments to chapter 14-51, Hawaii Administrative Rules, on the summary page dated August 22, 2003, were adopted on August 22, 2003, following a public hearing held on August 22, 2003, after public notice was given in the Honolulu Star Bulletin, the Maui News, the Garden Island News, the West-Hawaii Today and the Hawaii Tribune Herald, on July 21, 2003.

These amendments shall take effect ten days after filing with the Office of the Lieutenant Governor.

FOR
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APPROVED AS TO FORM:

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for LINDA LINGLE
Governor
State of Hawaii

Date: SEP 18 2003

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Filed