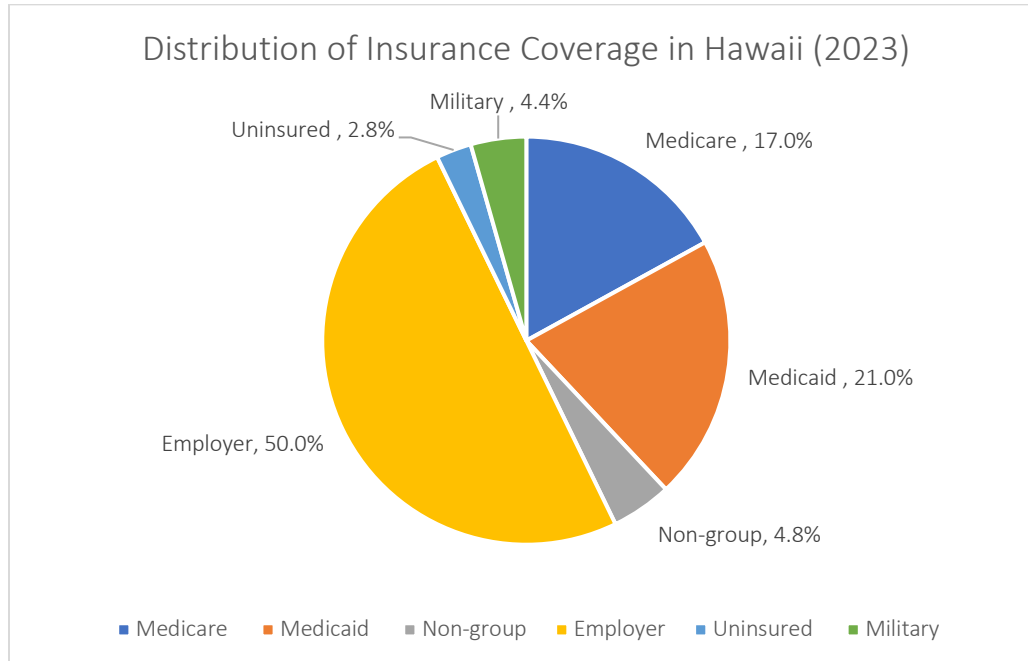


# Hawaii

## Sources of Insurance Coverage



*\*Source: KFF, Health Insurance Coverage of the Total Population, 2023*

### Medicare

In Hawaii, [232,200](#) residents are enrolled in Medicare, 17% of the state's population (2023 data). Of those, [62%](#) are enrolled in Medicare Advantage plans, which are regulated by the federal government. For Hawaiians in the traditional Medicare program, the Hawaii Department of Commerce and Commerce regulates Medicare supplemental or Medigap plans and provides some information about insurers authorized to sell Medicare supplemental policies [here](#).

### Medicaid and the Children's Health Insurance Program (CHIP)

In Hawaii, [287,200 people](#) are enrolled in Medicaid or CHIP, 21% of the population (2023 data). The programs cover [a third](#) of all Hawaii children. Hawaii has chosen to adopt the Affordable Care Act's expansion of Medicaid, and this has extended coverage to [184,000](#) low-income adults.

In Hawaii, Medicaid benefits are provided both directly by the state (Medicaid Fee-For-Service or FFS) and via private managed care organizations (referred to as Managed Care Providers). These private insurers have contracts with the [State of Hawaii Department of Human Services](#) and are overseen by the Med-QUEST Division.

The state's Medicaid program covers adults under 65 up to [138%](#) of the federal poverty level (FPL), and pregnant women up to [196%](#) of FPL. Approximately [35%](#) of all births in Hawaii are covered by Medicaid. In Hawaii, the CHIP program operates as an expansion of Medicaid. Through this program, Hawaii covers children up to 18 years of age in households with income up to [313%](#) FPL.

### Employer-sponsored insurance

In Hawaii, [682,800](#) people are covered by employer-sponsored insurance (ESI), or 50% of the total state population (2023 data). Hawaii [mandates](#) all employers with one or more, full-time or part-time, permanent or temporary employee to provide health insurance benefits to all eligible employees. Employers are not required to provide health insurance benefits to employees who work less than 20 hours per week, agricultural seasonal workers, insurance and real estate salespeople paid solely via commissions, and individuals working for family members. Hawaii has the highest ESI offer rate of all states ([76.9%](#)). [Most large firms \(90.8%](#) of firms with 50 or more employees) and 71.8% of small employers offer ESI.

In Hawaii, approximately [25.3%](#) of private sector businesses that offer health insurance self-fund at least one health plan. For large firms (50 or more employees) that offer health insurance, 44% self-fund at least one health plan.

### Individual Market Insurance

Approximately [4.8%](#) of Hawaiians are enrolled in the individual market (2023 data). Of those, in 2023, [22,170](#) Hawaiians selected a plan through the Affordable Care Act Marketplace, which in Hawaii is run by the [federal government](#). It is more challenging to ascertain enrollment numbers for off-Marketplace individual market enrollment.

Individual market health insurance (both on- and off-Marketplace) is usually regulated under state law. Hawaii enforces the Affordable Care Act's (ACA) consumer protections through the Hawaii [Department of Commerce and Consumer Affairs](#).

### Other Coverage

Many Hawaiians are enrolled in other forms of insurance coverage, such as coverage for the military (TRICARE or U.S. Veterans Administration), which covers [4.4%](#), or 60,500 Hawaiians.

### The Uninsured

Approximately [2.8%](#), or 38,400 Hawaiians are uninsured (2023 data). Hawaii has one of the [lowest](#) uninsured rate in the country, significantly lower than the national average of 7.9% uninsured. The low rate of uninsurance in Hawaii is likely due to the state's decision to expand its Medicaid program under the ACA, generous Medicaid eligibility income thresholds for adults under 65 and pregnant women, and the state's mandate requiring employers to offer health insurance to all eligible employees.

Uninsurance rates are [low](#) across all races and ethnicities in Hawaii. Lack of insurance is highly correlated with income. Approximately [7.3%](#) of non-elderly people under 100% FPL are the uninsured in Hawaii, while just [2.1%](#) of non-elderly people over 400% FPL are uninsured.

## State Regulators: Hawaii

CMS is responsible for the oversight of Medicare Advantage plans. The CMS Regional Office for Hawaii is based in [San Francisco](#). Media inquiries may be submitted [here](#).

### Hawaii Department of Commerce and Consumer Affairs (DCCA)

The Hawaii Department of Commerce and Consumer Affairs Insurance Division regulates the business of insurance in the state of Hawaii. For health insurance companies, DCCA's Insurance Division is responsible for:

- **Licensure:** All insurers operating in the state must demonstrate that they are financially solvent and capable of paying claims. After initial licensure, companies must file financial information with DCCA on a regular basis. The state provides a lookup tool for state-licensed entities and individuals that sell insurance, [here](#).
- **Form review:** DCCA reviews health insurers' contracts and covered benefits to ensure that they comport with state law, including state benefit mandates and network adequacy standards. DCCA also enforces consumer protections under the ACA, mental health parity, HIPAA, and other federal laws.
- **Rate review:** DCCA collects data from health insurers about their projected costs and premiums. DCCA has prior approval [authority](#) over an insurer's proposed premium rate in the individual, small group, and large group markets. Rate and form filings by insurers are available [here](#).
- **Marketing:** DCCA is responsible for oversight of insurers' marketing tactics and discouraging unfair or deceptive tactics. The agency also licenses and is responsible for the oversight of insurance agents and brokers.
- **Enforcement:** DCCA has authority to enforce state and federal insurance laws. Their enforcement tools can range from requesting a corrective action, issuing a cease and desist order, imposing fines, or seeking an injunction. Recent enforcement actions are available [here](#). DCCA allows consumers, providers, and others to file complaints against health insurers [here](#).
- **Appeals:** Under the Affordable Care Act, insurers must provide enrollees with the right to an external, independent appeal. [Hawaii's external review process meets federal standards](#). DCCA publishes an annual report on the number of complaints and requests for external review it received in a year, available [here](#). DCCA provides information on how consumers can seek external review [here](#).

Another division under the DCCA, the [Office of Consumer Protection \(OCP\)](#) enforces general consumer protection laws and investigates unfair and deceptive trade practices. OCP handles consumer protection inquiries and complaints, and provides a [searchable database](#) of

complaints against any licensed business in the state. The Office of Administrative Hearings within the DCCA conducts the department's administrative hearings and provides a [searchable database](#) of its decisions here (the database allows users to filter for decisions related to the business of insurance).

#### Hawaii Department of Human Services

Hawaii's Department of Human Services runs the state's Medicaid and CHIP programs, through its Med-QUEST division. The Department manages the contracts with the managed care organizations (MCOs) that deliver Medicaid and CHIP benefits. MCO enrollment data and financial reports are available [here](#).

DHS [can conduct](#) an enforcement action against an MCO if it fails to meet its contract obligations. Enforcement actions can include requiring the MCO to pay damages or to implement a corrective action plan. The agency can also terminate the MCO's contract.

#### Hawaii Department of the Attorney General

The [Commerce and Economic Development Division](#) within the Department of the Attorney General provides legal advice and litigation services to DCCA. The division is also responsible for enforcing antitrust laws in the state.

### Other Sources of Information

#### Health Insurance Navigators, Agents and Brokers (collectively, "consumer assisters")

Although Hawaii's health insurance Marketplace is run by the federal government, CMS provides grants to local organizations called "Navigators" that are tasked with assisting consumers determine eligibility for subsidized coverage programs and helping them with post-enrollment questions. Hawaii-based health insurance agents and brokers perform similar consumer assistance functions, and are generally paid on a commission basis. These consumer assisters can be helpful sources of information about health insurance and the challenges consumers face. They can be located through the "[Find Local Help](#)" search portal on HealthCare.gov.