
HOUSE CONCURRENT RESOLUTION

RESPECTFULLY REQUESTING THE PARTICIPATION OF THE GOVERNOR OR THE GOVERNOR'S DESIGNEE IN A JOINT LEGISLATIVE/EXECUTIVE BRANCH WORK GROUP DEDICATED TO FINDING AFFORDABLE SOLUTIONS TO HAWAII'S HEALTHCARE CRISIS.

1 WHEREAS, the cost of healthcare in Hawaii and the nation is
2 escalating exponentially, and Medicaid reimbursements are
3 frequently less than the actual cost of the medical care
4 provided; and

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6 WHEREAS, health insurance premium costs, long-term care
7 costs, and prescription drug costs are rising rapidly; and

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9 WHEREAS, in April 2003, the Hawaii Medical Service
10 Association (HMSA) filed documents with the state Insurance
11 Division requesting an average rate increase of 11.5 percent for
12 its small-business, or community-rated groups, and a 9.9 percent
13 increase was approved; and

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15 WHEREAS, Kaiser Permanente, the state's second largest
16 insurer implemented an 11.7 percent rate increase in 2004 to
17 finance multi-million dollar new construction projects and a new
18 medical record system; and

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20 WHEREAS, in 2005 HMSA raised rates 4.9 percent for its
21 community-rated groups and have requested an additional 3.8
22 percent increase in 2006 for its Preferred Provider Plan, which
23 is the most popular plan for Hawaii's insured; and

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25 WHEREAS, Kaiser implemented a 3 percent increase at the
26 beginning of 2006; and

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28 WHEREAS, technological advances in the provision of
29 healthcare services is another factor in increasing healthcare
30 costs, and although this new technology has greatly improved the



1 quality of life for patients, it has also resulted in higher
2 costs; and
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4 WHEREAS, it is estimated that new technology is responsible
5 for almost 50 percent of the total increase in healthcare costs
6 over the last 30 years; and
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8 WHEREAS, while Medicaid and QUEST provide health coverage
9 for some of the uninsured, coverage is usually minimal, and
10 there is still a "gap group" that is neither insured nor
11 eligible for Medicaid or QUEST; and
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13 WHEREAS, as healthcare costs escalate, hospitals and
14 nursing homes suffer massive financial losses, in part because
15 of inadequate reimbursement rates that do not even cover the
16 actual cost of care; and
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18 WHEREAS, a decade ago, Hawaii led the nation in having the
19 highest rate of insured individuals, but has since dropped to
20 tenth, with over 120,000 uninsured individuals; and
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22 WHEREAS, a solution needs to be provided soon to prevent a
23 further increase in the number of uninsured and to prevent
24 increased state Medicaid and other healthcare costs; now,
25 therefore,
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27 BE IT RESOLVED by the House of Representatives of the
28 Twenty-third Legislature of the State of Hawaii, Regular Session
29 of 2006, the Senate concurring, that the Legislature
30 respectfully requests the participation of the Governor or her
31 designee in a joint Legislative/Executive Branch Work Group
32 (Work Group) dedicated to finding affordable solutions to
33 Hawaii's healthcare crisis; and
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35 BE IT FURTHER RESOLVED the Work Group should include:
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- 37 (1) Four members appointed by the Governor;
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39 (2) Three members appointed by the President of the
40 Senate;
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42 (3) Three members appointed by the Speaker of the House of
43 Representatives; and
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1 (4) Three members appointed by the Insurance Commissioner;
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3 and
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5 BE IT FURTHER RESOLVED that the Work Group select a
6 chairperson from among its members and the number of members
7 necessary to constitute a quorum to do business consist of a
8 majority of all members of the Work Group; and
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10 BE IT FURTHER RESOLVED that the Work Group should include
11 healthcare leaders statewide in addition to members of the 2005
12 Healthcare Task Force to address the growing crisis in
13 healthcare in Hawaii, which includes but is not limited to:
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- 15 (1) Shortages in physician specialists on our Neighbor
16 Islands and in rural areas of the state;
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- 18 (2) Rising Medicaid malpractice rates for physician
19 specialists;
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- 21 (3) Shortages in nurses;
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- 23 (4) Inadequate trauma teams statewide; and
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- 25 (5) Spiraling costs of all healthcare services;
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27 and
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29 BE IT FURTHER RESOLVED that among the subjects the Work
30 Group should consider are:
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- 32 (1) Recommendations on medical malpractice reform for
33 Hawaii;
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- 35 (2) Incentives such as loan forgiveness or tax incentives
36 to attract healthcare workers to Hawaii's underserved
37 areas;
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- 39 (3) Expansion of federally qualified community health
40 centers with state funding to increase care for the
41 poor or uninsured;
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- 43 (4) High-deductible health insurance plans for uninsured,
44 younger individuals;



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(5) Facilitation of the on-going discussion about single-payer, universal healthcare; and

(6) Any proposed legislation to effect the purposes of this concurrent resolution;

and

BE IT FURTHER RESOLVED that the Work Group take up the work of the 2005 Healthcare Task Force, which expires on June 30, 2006; and

BE IT FURTHER RESOLVED the Work Group should formally invite current members of the Task Force to continue with the Work Group; and

BE IT FURTHER RESOLVED the Work Group should meet at least once quarterly during a calendar year and report annually, until 2010, to the Governor and the Legislature at least 20 days prior to the start of each regular legislative session, beginning with the Regular Session of 2007; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor and the Healthcare Task Force.

OFFERED BY:

MAR 15 2006

