

JAN 25 2006

A BILL FOR AN ACT

RELATING TO THE ESTABLISHMENT OF A SINGLE PAYER UNIVERSAL HEALTH
INSURANCE SYSTEM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature agrees with silver legislature
2 that it is in the best interest of the State for every
3 individual to have high quality and affordable healthcare
4 insurance coverage. Healthcare is more than just medical
5 insurance pay-outs. It includes cost-saving preventive and
6 early intervention measures to prohibit medical conditions from
7 becoming chronic.

8 Hawaii's current healthcare industry is a costly,
9 inefficient, and unnecessarily complex multi-payer private
10 medical insurance model that is profit-driven, adversarial (with
11 constant cost-shifting and reluctant healthcare delivery), and
12 economically irrational. Additionally, healthcare rates are
13 skyrocketing at double-digit levels and are creating an
14 affordability and accessibility crisis for Hawaii's residents.

15 By comparison, Canada has a universal healthcare social
16 insurance model with one pay-out agency. This system is
17 beneficial for the following reasons:



- 1 (1) For union members, it means taking healthcare off the
2 negotiating table;
- 3 (2) For patients, it means significant reductions in
4 costs, increases in benefits, and reductions in
5 inflation;
- 6 (3) For businesses, large and small, it reduces
7 significant overhead expenses;
- 8 (4) For the local economy and government, it means keeping
9 almost all healthcare dollars in the State;
- 10 (5) For physicians, it means less paperwork and much more
11 time with patients;
- 12 (6) For hospitals and community health clinics, it means
13 sufficient and dependable annual financing through
14 global budgets; and
- 15 (7) For the general public, it means accessible and
16 affordable healthcare.

17 The purpose of this Act is to take the first steps to
18 create a unified, single-payer universal healthcare system that
19 covers all Hawaii residents, in a way that is similar to the
20 system in Canada.

1 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§431:A- Hawaii healthcare financing board. (a) There
5 is established a single-payer universal healthcare system. An
6 elected seven-member Hawaii healthcare financing board shall be
7 established to set policy and oversee the planning, financing,
8 and accounting for the pay-outs from Hawaii's single-payer
9 healthcare-for-all system. The board shall be attached to the
10 department of commerce and consumer affairs for administrative
11 purposes.

12 (b) The board shall have the authority to:

13 (1) Receive all federal, state, and other appropriate
14 healthcare revenue;

15 (2) Assess a temporary progressive income surtax for the
16 Hawaii healthcare financing board's start-up and
17 emergency costs as necessary;

18 (3) Be the single-payer of universal healthcare financing
19 (the one pay-out agency) for Hawaii; and

20 (4) Hire a chief executive officer who shall be
21 accountable for the development and success of the
22 single-payer universal healthcare system."



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$2,925,000, or so
3 much thereof as may be necessary for fiscal year 2006-2007, for
4 preparations in establishing a single-payer universal health
5 care system.

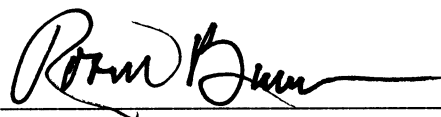
6 SECTION 4. The sum appropriated shall be expended by the
7 department of commerce and consumer affairs for the purposes of
8 this Act.

9 SECTION 5. In codifying the new sections added by section
10 2 of this Act, the revisor of statutes shall substitute
11 appropriate section numbers for the letters used in designating
12 the new sections in this Act.

13 SECTION 6. New statutory material is underscored.

14 SECTION 7. This Act shall take effect on July 1, 2006.

15

INTRODUCED BY: 

By Request



SB 2436

Report Title:

Insurance; Universal

Description:

Establishes a board to oversee a single-payer healthcare system.

