

Honolulu, Hawaii

Feb 10, 2006

RE: H.B. No. 3128
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Health and Labor & Public Employment, to which was referred H.B. No. 3128 entitled:

"A BILL FOR AN ACT RELATING TO HEALTHCARE,"

beg leave to report as follows:

The purpose of this bill is to initiate a universal healthcare system for the people of Hawaii by establishing the State Healthcare Insurance Planning and Financing Authority (Authority) to operate a single-payer universal healthcare insurance system.

The League of Women Voters of Hawaii, Kokua Council, Americans for Democratic Action, Kupuna Caucus of the Democratic Party of Hawaii, National Association of Social Workers, Physicians for a National Health Program, and numerous concerned individuals supported this bill. ILWU Local 142 supported the intent of this measure. The Department of Commerce and Consumer Affairs, State Farm Insurance Company, Kaiser Permanente, Hawaii Medical Services Association, Healthcare Association of Hawaii, Hawaii Medical Association, Hawaii Association of Health Plans, Hawaii State Teachers Association, and Hawaii Insurers Council opposed this bill. The Department of Budget and Finance, McCorriston Miller Mukai MacKinnon, LLP, submitted comments.

Your Committees find that a system that provides affordable, universal healthcare is vitally important to ensuring the health and well-being of the people of our state especially when the

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rising cost of healthcare is forcing many to give up their health insurance or choose food and rent over healthcare.

A first step must be taken to achieve an universal health care for Hawaii's citizens and your Committees find that this bill should act as the vehicle to be used to achieve that first step.

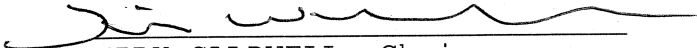
Your Committees have amended this bill by:

- (1) Clarifying that permanent residents shall be eligible for coverage by the single-payer universal healthcare system;
- (2) Inserting a definition section consisting of 11 new terms that address the concepts provided for in the new chapter in the Hawaii Revised Statutes;
- (3) Inserting a section consisting of 20 functional concepts to be established in regard to the Hawaii state-funded single payer universal healthcare insurance system to outline, shape, and direct the future of this endeavor;
- (4) Directing that the members of the Authority shall be an elected body that shall take effect on November 8, 2006;
- (5) Establishing eligibility and responsibilities of members of the Authority;
- (6) Clarifying that the Office of Elections shall prepare and execute all necessary procedures for the election of the members of the Authority;
- (7) Transferring the functions of the State Health Planning and Development Agency to the Authority and directing the Authority to assume other healthcare-related State agency functions;
- (8) Directing the start-up and maintenance of a contingencies and restraining reserve fund;
- (9) Providing for the salaries of the Authority chairperson and other members; and
- (10) Making technical, nonsubstantive changes for clarity, consistency, and style.



As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3128, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3128, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committees on Health and Labor
& Public Employment,



KIRK CALDWELL, Chair



DENNIS A. ARAKAKI, Chair



