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O`ahu County Committee on Legislative Priorities

COMMITTEE ON HUMAN SERVICES
Senator Russell E. Ruderman, Chair
Senator Karl Rhoads, Vice Chair

DATE: Friday, February 8, 2019

TIME: 3:00 p.m.

PLACE: Conference Room 016, State Capitol

RE: SB 534 Relating to Healthcare

To the Honorable Russell E. Ruderman, the Honorable Karl Rhoads, Vice Chair, and Members of the Committee on Human Services:

My name is Melodie Aduja and I serve as Chair of the O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i. Mahalo nui loa for this opportunity to provide testimony on SB 534. The O`ahu County Committee on Legislative Priorities (OCCLP) of the Democratic Party of Hawai`i (DPH) hereby submits its testimony in **SUPPORT of SB 534 relating to Healthcare.**

SB 534 requires the Department of Human Services to enroll Hawaii as a member in the Sovereign States Drug Consortium to lower medicaid purchasing and administrative costs to the State.

DPH believes that healthcare is a right, not a privilege, and our healthcare system must put people before profits. The high costs of insurance and insufficient coverage mean that many people do not have access to the care they need, which creates devastating social costs that are also a significant economic burden to the State.

Therefore, DPH supports robust funding of the Hawai`i Health Authority (HHA) or other State Health Agency to design a statewide, unified, cost-effective healthcare system that includes comprehensive healthcare services for all, and then submit that design to the legislature for evaluation.

Such a universal, comprehensive healthcare system would: (1) Unify the delivery of healthcare in Hawai`i by establishing a single network, benefit structure, reimbursement system,

drug formulary, and prior authorization policies; (All state-regulated payers would be required to pay into this unified system, including Medicaid, Medicare Advantage, and health insurance provided by the state and counties, and commercial health insurance plans funded by employers and individuals.); (2) provide parity of mental and physical health coverage; (3) provide cost-effective regulation of comprehensive health care delivery systems with an administrative overhead of less than 3%; (4) include and protect all women's healthcare needs including reproductive rights and the healthcare needs of the LGBTQIA community; (5) provide preventative health programs; (6) provide long-term care, dental, and vision care; and (7) provide healthcare to Compact of Free Association (Federated States of Micronesia, the Marshall Islands, and Palau) (COFA) citizens and other non-citizens lawfully residing in Hawai'i on an equal basis with US citizens and permanent residents.

DPH urges Hawai'i's Medicaid Program to join an existing multi-state prescription drug discount purchasing group as Medicaid, and then, via the HHA's or other State Health Agency's ability to create a unified statewide system, enable delivery of that discount to all state residents.

On the Federal level, we support a universal single-payer healthcare system similar to or better than HR 676, Expanded and Improved Medicare For All, wherein all individuals residing in the United States and U.S. territories are provided with comprehensive healthcare services.

DPH supports the crack down on price gouging by drug companies and cap the amount that consumers have to pay out-of-pocket every month on prescription drugs. We will prohibit anti-competitive "pay for delay" deals that keep generic drugs off the market, and we will allow individuals, pharmacists, and wholesalers to import prescription drugs from licensed pharmacies in Canada and other countries with appropriate safety protections. Democrats will also fight to make such that Medicare will negotiate lower prices with drug manufacturers. *Democratic Party of Hawai'i Platform (2018), p. 11, ln. 14-49.*

For the foregoing reasons, to wit, having Hawai'i's Medicaid Program join an existing multi-state prescription drug discount purchasing group as Medicaid, via the HHA's or other State Health Agency's ability to create a unified statewide system, enable delivery of that discount to all state residents, OCCLP supports SB 534 and urges its passage out of the Committee on Human Services.

Mahalo nui loa

Me ka `oia`i`o

/s/ Melodie Aduja

Melodie Aduja

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