



To: The Honorable Ryan I. Yamane, Chair,
The Honorable Adrian K. Tam, Vice Chair, and
Members of the Committee on Health, Human Services, and Homelessness

Re: **SCR 208 SD 1– Urging the United States Congress and Hawaii’s
Congressional Delegation to Support Legislation Establishing Medicare for
All**

Hearing: Thursday, April 14, 2022, 9:00 a.m., Conference Room 329 & via
videoconference

Position: **VERY STRONG SUPPORT**

The Democratic Party of Hawai‘i has adopted a plank in its platform supporting single-payer healthcare which is best embodied in bills in the U.S. Congress calling for establishment of “Medicare for All,” in HR 1976. We urge the Hawaii Congressional Delegation to support it. Meanwhile, we believe it is important to itemize several the serious problems in the present healthcare system that can only be ameliorated by a bill like HR 1976 to restore the health, safety, and national security of our people in the State of Hawai‘i and nationwide:

1. **Employment-based health insurance locks too many people into bad jobs, discourages self-employed entrepreneurial enterprise, and discourages certain populations from working at all.** Too many Americans stay in their jobs primarily or solely because of the health insurance coverage attached to those jobs. It’s a *de facto* lock-in. There’s no portability. Conversely, if they lose the job, they lose the coverage as COBRA is ridiculously expensive to maintain after the loss of employment. The link between employment and health insurance is a historical artifact – that health insurance began as a side benefit of union contracts back in the day when we once had strong unions in the United States. For capable independent contractors and those disabled persons whose healthcare benefits require employment, employer-based healthcare coverage presents a major threat to personal economic success. That linkage is no longer helpful, and in fact it is very detrimental.



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2. **Only in America do we suffer medical bankruptcies and deaths caused by lack of health insurance.** These bankruptcies occur even among literally thousands of people who have health insurance. And they are the largest cause of bankruptcy in the country.

<https://www.investopedia.com/financial-edge/0310/top-5-reasons-people-go-bankrupt.aspx>. A 2009 Harvard study estimates 45,000 Americans die each year attributable to lack of health insurance coverage. <https://news.harvard.edu/gazette/story/2009/09/new-study-finds-45000-deaths-annually-linked-to-lack-of-health-coverage/> (While Obamacare has reduced overall uninsured totals in the U.S., about 30 million Americans are still uninsured, a drop from 48.2 million in 2010. <https://aspe.hhs.gov/system/files/pdf/265041/trends-in-the-us-uninsured.pdf>)

3. **Medical debt is now approaching an overwhelming \$150 billion, which is causing many people to forgo needed treatment.** This overwhelming debt is carried even by many people who are insured, but whose insurance just isn't good enough, because of high deductibles, narrow networks of participating medical providers, exclusions, and other tricks of the insurance trade. *See generally, Americans Owe At Least \$140 Billion in Medical Debt*, <https://www.futurity.org/medical-debt-140-billion-2602422-2/>, July 2021. People who are in medical debt are often reluctant to seek additional necessary medical care, as they fear it will make their financial condition even more hopeless.

4. **Our health insurance coverages are too limited.** Coverages have high deductibles and co-payments, and narrow networks that make insurance virtually unusable for far too many people. The profit motive corrupts the system as it creates incentives to deny project care. Moreover, Medicare and Medicaid do not cover services for vision, dental, and hearing, even though the lack of care in these areas is all debilitating. ("in 2019 . . . health insurance is not owned by around 44 million adults in the U.S., while 38 million do not have adequate health coverage." Policy Advice, February 14, 2021, [Uninsured Americans Stats and Facts 2021 | Policy Advice](#))

5. **Too many health insurers create massive administrative burdens on our medical providers.** Hundreds of health insurers all have different codes and standards that require physicians, hospitals, laboratories, rehab centers, and others to employ vast numbers of personnel to process myriad claims pursuant to these myriad different requirements. These administrative burdens are the single biggest drivers of physician burnout in Hawaii, and probably across the country. See [Allocation of Physician Time in Ambulatory Practice: A Time and Motion Study in 4 Specialties](#); and [Physician Burnout in the Electronic Health Record Era: Are We Ignoring the Real Cause?](#)



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6. Reimbursement levels for medical providers, especially frontline providers, are often too low. Our system currently pays the CEOs of health insurers massive sums that are not morally deserved, while frontline medical providers, starting with nurses are severely overworked – especially during this Covid emergency – and underpaid. There is a **crisis** in Hawaii’s primary medical care, especially on the Neighbor Islands. That crisis is caused by a combination of low compensation levels and ever-increasing administrative burdens. See the 2020 report from the remaining members of the Hawaii Health Authority. <https://www.dropbox.com/s/5lr9a0kh1uj88cx/HHA%20Report%202020.docx?dl=0>.

7. Overall, the United States pays twice or more per capita for healthcare, but has worse outcomes, than almost any other “advanced” industrialized country. This is a direct outcome of the failure and refusal of the United States – almost alone – to do what every other country has done, which is to adopt a universalized, government-sponsored healthcare system that ensures that everyone is provided healthcare as a human right. <https://news.harvard.edu/gazette/story/2018/03/u-s-pays-more-for-health-care-with-worse-population-health-outcomes/>

8. Proposals for alternatives to Medicare for All, are simply inadequate and misdirected. Halfway measures and tinkering around the edges are not the proper way to respond to these myriad and intertwined failures in our present healthcare “system” – those halfway measures and tinkering are what have proven to be failures, impractical, and too expensive. A proper healthcare infrastructure, such as the other industrialized countries have, with a simplified, universalized, government-sponsored system ensuring that everyone has access to their choice of providers, would save money. We must do fundamentally better as a society, and the time to do that is now. For these reasons, we must move forward to universal healthcare essentially as outlined in HR 1976.

There is no practical alternative. For example, Senator Schatz proposes to provide for a “public option” to buy into Medicaid, but this is misdirected and inadequate because Medicaid is, first of all, a program designed to work through private insurance. Thus, fundamentally, it suffers all of the disabilities described above, including grossly insufficient networks of providers and compensation levels for providers. Second, Medicaid lacks dental, vision, and hearing coverage. We believe that anyone who would buy into such a system would be buying into a very unsatisfactory system.



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9. Nationally, the entire Medicare system is being existentially threatened by the “Direct Contracting Entity” (DCE) program created by the Trump administration to insert a barrier to medical care controlled by private insurers. We cannot close a description of our current Medicare system without addressing the DCE program created by the Trump administration to insert a set of barriers to delivery of medical care under Medicare controlled by insurance companies. It is unnecessary and has not been shown to be beneficial at all. *See L. Strether, <https://pnhp.org/news/direct-contracting-entities-the-latest-scam-to-privatize-medicare/>; see also Direct Contracting: Quietly Handing Medicare to Wall Street, https://pnhp.org/system/assets/uploads/2021/11/DCE_OnePagerFinal.pdf.*

10. Indeed, ALL attempts to interpose insurance company decision-making into Medicaid and Medicare should be entirely rejected.

Frankly, we need to eliminate ALL private financial middle-men in government-provided healthcare. This includes, in Medicare, the so-called Medicare Advantage program and the MACRA amendments, and in Medicaid, the Managed Care Organizations (MCOs). Physician-directed management of patient care, under “Primary Care Case Management” (PCCM or ePCCM) is the best method and is proven to work most effectively. *See generally, B. Caress, The Dark History of Medicare Privatization, <https://prospect.org/health/dark-history-of-medicare-privatization/>, Jan. 2022; see also T. Lieberman, The Medicare Privatization Scam, <https://www.thenation.com/article/archive/medicare-privatization-scam/>, Jan 2007.*

11. “Medicare for All” pays for itself, far better than the current non-existent system.

We expect that many people, including many Legislators will respond at this point almost certainly, “how are we going to pay for it?” if we adopt what we need to adopt – a universal system, such as that proposed in HR 1976. The answers are several, starting with the first one, which is that we are already paying for “it” – a bad healthcare system that unnecessarily KILLS perhaps as many as 45,000 Americans, every year – people who do not have health insurance. Starting with those who desperately need INSULIN, which Big Pharma no longer sells at an affordable price, unless you have the right insurance. <https://www.npr.org/sections/health-shots/2018/09/01/641615877/insulins-high-cost-leads-to-lethal-rationing>.



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And please bear in mind that, even after a decade of Obamacare, some thirty million Americans are still uninsured, at least as of mid-2020! <https://aspe.hhs.gov/reports/trends-us-uninsured-population-2010-2020>.

Moreover, the question of “how you are going to pay for it?” all too often ignores two fundamentals, one economic and one moral: People who are ill are not productive and therefore are not producing in the economy; and one much broader and higher and human and what we as Democrats should care most about: “pursuit of happiness” - making life better! We are not supposed to be a third-world country! So, we must not focus too narrowly when we think about costs and benefits.

Healthcare is a part of our national infrastructure, just as much as highways, bridges, airports, universities, and educational systems are. We pay for them from the general revenues. Indeed, while many forms of infrastructure can be paid for from user fees, healthcare is one part of our infrastructure where the people using it the most are likely to be the ones least able to pay for it. For this key reason, especially, we believe that we can and should “pay for” healthcare primarily by progressive taxation. Reversing the Trump tax cut giveaways would be a good start.

We also emphasize that a “Medicare for All” system will likely cost far less overall than the current hodge-podge system based on private insurance, and it would, of course, provide much better outcomes. The Congressional Budget Office has scored recent single-payer proposals. See People’s Policy Project, CBO: Medicare for All Reduces Health Spending, Dec. 11, 2020. <https://www.peoplespolicyproject.org/2020/12/11/cbo-medicare-for-all-reduces-health-spending/>. Naturally, all estimates at this stage are broad, including the CBO’s, but per capita comparisons of U.S. expenditures versus per capita expenditures in Canada and Europe show that 30% is quite a reasonable estimate.

There are fundamental reasons that every single advanced country in the world that has adopted a universal healthcare system has stayed with it. Not one of them has ever reverted to a privatized system.

If the United States cannot find the Covid emergency a sufficient basis for abandoning its severely dysfunctional system of delivery of medical services, we cannot fathom what will. We believe that President Biden wants to be the Franklin Delano Roosevelt of the 21st Century, and healthcare is one of the areas in which he will make his mark, even though he is not yet ready to say so expressly. We ask the entire Congressional Delegation to co-sponsor HR 1976 in the House, and the Senate version of HR 1976 when it becomes available.



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Moreover, **the question of “how you are going to pay for it?” all too often ignores two fundamentals, one economic and one moral:** People who are ill are not productive and; therefore, are not producing in the economy; and one much broader and higher and human and what we should care most about: “pursuit of happiness” - making life better! We are not supposed to be a third-world country! So, we must not focus too narrowly when we think about costs and benefits.

If the United States cannot find the Covid emergency to be an urgent enough crisis to justify abandoning our severely dysfunctional system of delivery of medical services, we cannot fathom what will. We believe that President Biden wants to be the Franklin Delano Roosevelt of the 21st Century, and healthcare is one of the areas in which he can make his mark. (The New York Times published an article illustrating President Biden’s redecoration of the Oval Office. The largest portrait over the fireplace, by far, is a painting of Franklin D. Roosevelt, surrounded by smaller ones of Washington, Lincoln, Hamilton, and Jefferson, with a sculpted bust of Robert F. Kennedy close by, clear indications that he favors progressive leaders. See, THE ART IN THE OVAL OFFICE TELLS A STORY. HERE’S HOW TO SEE IT. <https://www.nytimes.com/interactive/2021/05/05/arts/design/oval-office-art.html?action=click&module=Top%20Stories&pgtype=Homepage>.)

Thank you very much in advance for considering our thoughts. As representatives of the Health Committee, would be very happy to discuss these matters with you further.

Please pass this Resolution.

Very truly yours,

Melodie R. Aduja

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Chair, Health Committee

Stephen B. Kemble, M.D.

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Member, Health Committee, and

Member, Hawaii Health Authority

Marion Poirier R.N., retired

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Vice Chair, Health Committee, and

Member, Hawaii Health Authority

Alan B. Burdick

Alan B. Burdick

Treasurer, Health Committee

SCR-208-SD-1

Submitted on: 4/13/2022 7:28:04 AM

Testimony for HHH on 4/14/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alan B Burdick	Progressive Democrats of Hawaii	Support	Written Testimony Only

Comments:

Progressive Democrats of Hawaii **strongly support** this Resolution: our current failed system of medical care costs twice as much per capita as the medical care systems in other advanced industrial countries, yet it yields outcomes that are significantly worse. Nearly every other advanced industrial country has adopted a system of universal healthcare similar to Medicare for All, and none of them has ever abandoned it.

Medicare for All is NOT "too expensive." We are currently paying way too much money for a bad system, both financial and through human costs - people who suffer because they cannot afford medical care and are thus less productive than people who promptly receive effective care.

Even after 40 years of Hawaii's "prepaid" health insurance law, and 10 years of Obamacare, we still have large numbers of uninsured people. One-third of our population is on Medicaid.

If the Covid-19 crisis is not reason enough to get us off the current bad system and get onto a better system, what will it take to make the change?

Please bear in mind that **Hawaii is currently in a healthcare delivery crisis. Ask any Neighbor Islander about the availability of specialists on their island.** We need changes now. We need the Legislature to encourage our Congressional Delegation to support REAL CHANGE - Medicare for All - and not baby-step measures that will not significantly improve the situation.

Thank you for the opportunity to testify.

Alan Burdick, co-chair.

SCR-208-SD-1

Submitted on: 4/12/2022 5:28:10 PM

Testimony for HHH on 4/14/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

We the people Opose this. This would Distroy Medicare. You people need to Kiked out of Hawaii!!

SCR-208-SD-1

Submitted on: 4/13/2022 2:15:24 AM

Testimony for HHH on 4/14/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

Comments:

The residents of Hawaii and of the nation oppose single payer health care and I personally object to the legislature advocating our national delegation to support bills instituting government controlled healthcare - especially the concept of "Medicare for All". In the 1990's there was a push for government run healthcare for all and that proposal went down in flames as this one should also. It should be no surprise that your constituents want healthcare choice. We want to manage our own healthcare funds in health care savings accounts that we control, not government. There are many reasons for the shortage of doctors in Hawaii. Those shortages have been in place long before the "COVID pandemic". The low Medicare reimbursement rates and Hawaii's high cost of living/housing are prime reasons. Medicare for all would make the doctor shortage worse. To financially survive, doctors limit the number of Medicare patients they serve. Governor Ige had made it clear that he would consider rationing healthcare to people over 65 in certain situations. We need less government involvement in our healthcare. It would cost a lot less and we would get better care. Medicare is already insolvent and will not sustain itself without outrageous and unaffordable increases in our and employer contributions. And the concept in the resolution that this Medicare benefit would be for all who are in the country - meaning non-citizens is unconscionable. Americans can't afford to pay for the healthcare of anyone and everyone who happens to cross our borders. That is wrong - and a great disservice to your constituents.

Socialists and communists have been trying to pass single payer for years but it is known that Americans would object. It failed in the 1990's and I pray it will fail in our legislature. SCR208 SD1 has gone through several votes and most people are unaware that this measure is being proposed. If they knew, there would be more outrage. I only recently found out this was being considered behind our backs.

. Medicare for all does not benefit anyone. Your constituents would end up with poor care and very little of it. Do not pass this resolution.