
A BILL FOR AN ACT

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

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

1 SECTION 1. The Silver Legislature finds that it is in the
2 best interest of the State for every individual to have high
3 quality and affordable healthcare insurance coverage.

4 Healthcare is more than just medical insurance pay-outs; it
5 includes cost-saving preventive and early intervention measures
6 to prohibit medical conditions from becoming chronic.

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

14 The Silver Legislature further finds that Canada has a
15 universal healthcare social insurance model with one pay-out
16 agency. This system is beneficial for the following reasons:

17 (1) For union members it means taking healthcare off the
18 negotiating table.

19 (2) For patients it means significant reductions in costs,
20 increases in benefits, and reductions in inflation.

21 (3) For businesses, large and small, it reduces
22 significant overhead expenses.

1 (4) For the local economy and government it means keeping
2 almost all healthcare dollars in the State.

3 (5) For physicians it means less paperwork and much more
4 time with patients.

5 (6) For hospitals and community health clinics it means
6 sufficient and dependable annual financing through
7 global budgets.

8 (7) For the general public it means accessible and
9 affordable healthcare.

10 The purpose of this Act is to create a unified, single-
11 payer universal healthcare system covering all Hawaii of
12 residents, similar to that of Canada.

13 SECTION 2. There is established a single-payer universal
14 healthcare system. An elected 7-member semi-independent Hawaii
15 Healthcare Financing Board (HHFB) shall be established to set
16 policy and oversee the planning, financing, and accounting for
17 the pay-outs from Hawaii's single-payer healthcare-for-all
18 system.

19 The HHFB shall have the authority to:

20 (1) Receive all federal, state, and other appropriate
21 healthcare revenue.

22 (2) Assess a temporary progressive income surtax for
23 HHFB start-up and emergency costs as necessary.

24 (3) Be the single-payer of universal healthcare
25 financing (the one payout agency) for Hawaii.

26 (4) Hire a chief executive officer who will be
27 accountable for the development and success of
28 the single-payer universal healthcare system.

29 SECTION 3. There is appropriated out the General Revenues
30 \$2,925,000 for the purposes of this Act.

31 SECTION 4. This Act shall take effect on July 1, 2006.