# SB 424

### Hawai'i Primary Care Association

345 Queen Street | Suite 601 | Honolulu, HI 96813-4718 | Tel: 808.536.8442 | Fax: 808.524.0347 www.hawaiipca.net

Γο: The Senate Committee on Health
The Hon. David Y. Ige, Chair

The Hon. Josh Green, MD, Vice Chair

## Testimony in Support of Senate Bill 424 Relating to Health

Submitted by Beth Giesting, CEO February 11, 2009, 3:00 p.m. agenda, Room 016

The Hawaii Primary Care Association supports this bill, which would result in a plan for universal access to health care in Hawaii. We firmly believe that all residents of Hawaii should have access to the health care they need and have been witness to the tragic consequences to individuals and families when access to care is not available. We believe that, if done right, a Hawaii health authority could remake our health system to align incentives to prioritize prevention and primary care, which would result both in better population health and considerable cost savings.

Thank you for the opportunity to testify in support of this measure.



An Independent Licensee of the Blue Cross and Blue Shield Association

February 11, 2009

The Honorable David Ige, Chair The Honorable Josh Green M.D., Vice Chair

Senate Committee on Health

Re: SB 424 – Relating to Health

Dear Chair Ige, Vice Chair Green and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 424.

The language contained in SB 424 would create an entity to examine how health care could be reformed in the State of Hawaii. During the 2005 legislative session, Act 223 was passed to create the Health Care Task Force made up of individuals representing all aspects of health care in the community including legislators, hospitals, physicians and the Insurance Commissioner. The Task Force contracted with The Lewin Group to conduct a study of health care in the state utilizing information contained in the Vision 2000 Healthcare Congress and the Governor's Blue Ribbon Panel on Cancer Care in Hawaii among other resources.

Based on the Task Force meetings, the Lewin Group produced a lengthy 85 page report. Since this report examined many of the issues raised in SB 424, we believe that the efforts outlined in SB 424 may end up being duplicative.

Additionally, with President Obama's Administration keenly interested in changing the way the health care system operates today, the legislature may wish to postpone any changes for now since there may be an opportunity to work collaboratively with federal initiatives in the future.

Thank you for the opportunity to testify today.

Sincerely,

Jennifer Diesman Assistant Vice President

Government Relations



## THE LEAGUE OF WOMEN VOTERS OF HAWAII

TESTIMONY OF SB 424 RELATING TO ESTABLISHMENT OF AN HAWAII HEALTH AUTHORITY TO PROVIDE UNIVERSAL HEALTH CARE IN HAWAII

Senate Committee on Health Wednesday, February 11, 2009 3:00 p.m.
Conference Room 016

Testifier: Joy A Marshall, RN

League of Women Voters-Hawaii, Health Care Reform Chair

To: Chair Ige, Vice Chair Chun and members of the Committee on Health

TESTIMONY OF SB 424 RELATING TO UIVERSAL HEALTH

We support for SB 424, creating the Hawaii Health Authority.

The current health care system poorly constructed, with little to show from its high costs. It has not and does not cover all for health care needs. The monies we have, if properly managed can provide, studies show, health care for all.

The League of Women Voters position is clear; all persons should have access to basic health care.

The state of Hawaii needs to lead by example by providing health care to all its residents through a comprehensive state health plan.

The creation of the Hawaii Health Authority is an essential

Thank you for allowing me to testify in support of SB424

The Twenty-Fifth Legislature Regular Session of 2009

THE SENATE
Committee on Health
Sen. David Y. Ige, Chair
Sen. Josh Green, M.D., Vice Chair

State Capitol, Conference Room 016 Wednesday, February 11, 2009; 3:00 p.m.

### STATEMENT OF THE ILWU LOCAL 142 ON S.B. 424 RELATING TO HEALH

The ILWU Local 142 supports S.B. 424, which establishes the Hawaii health authority to develop a health plan to provide healthcare coverage for all individuals in the State.

Hawaii's Prepaid Health Care Act ensures that employers provide health care coverage for employees who work more than 20 hours a week for four consecutive weeks. Some employers skirt the law by employing their workers less than 20 hours a week. The employer saves money, but the worker is saddled with a huge burden to provide for his or her own health care needs. Individual plans are expensive; many workers just do without.

It is understandable that employers will balk at the expense of providing health care coverage. The cost of providing health care coverage is the biggest expense, next to wages, to employ a worker. Yet coverage is essential if workers are to avoid going bankrupt when a catastrophic illness or injury strikes or if more costly medical procedures are to be prevented by early intervention.

S.B. 424 will establish the Hawaii Health Authority to consider how universal health care coverage can be provided. All possibilities should be considered and the best, most fair course of action must be adopted. Hawaii, like the rest of the nation, cannot continue to be held hostage by the ever-rising cost of health care. If other countries are able to provide health coverage to all its citizens (and even non-citizens), the U.S. with its technological and financial might should be able to do the same or better. And Hawaii, with its landmark legislation for Prepaid Health Care, should be able to lead the nation.

Ah Quon McElrath, retired ILWU social worker, long advocated for universal health care in some form. She tirelessly walked the halls of the Capitol and spoke with every legislator who would listen about the absolute need to provide for the health care needs of everyone in the state. Ah Quon passed away in December. We are carrying on in her memory to appeal to the Legislature to support universal health care.

The ILWU urges passage of S.B. 424. Thank you for the opportunity to share our views on this important matter.

# TESTIMONY BY GEORGINA K. KAWAMURA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEE ON HEALTH ON SENATE BILL NO. 424

February 11, 2009

#### RELATING TO HEALTH

Senate Bill No. 424 proposes to establish a Hawaii Health Authority administratively attached to the Department of Budget and Finance. The Hawaii Health Authority would be responsible for developing a health plan to provide health care coverage for all individuals in Hawaii.

We are opposed to this bill.

We have concerns on the feasibility of establishing a universal health care insurance system. It is uncertain how the system will be financed and if it will be able to accommodate the additional costs of providing health care for those who are not currently insured. It is also unclear how the healthcare plans of the Employer-Union Health Benefits Trust Fund and the plans of private employers will be combined into a single entity.

Further, the bill makes the proposed Hawaii Health Authority responsible for overall health planning for the State and for determining future capacity needs of health providers, facilities, equipment, and support services providers. This responsibility duplicates the functions of the State Health Planning and Development Agency.

#### **Testimony in Support of SB 424**

#### Wednesday, February 11, 2009 Conference Room 016

Chair Ige and Members of the Committee on Health:

Please pass S.B. 424 that provides for Universal health care in Hawaii.

The inequities and costs of the present system are manifest--and well-known. We need to move to a single-payer system and work for a more rational, affordable, and comprehensive health care system that serves ALL our people. The collage and ménage of coverages and plans--usually employer-based--are inadequate, and in a time of many losing their jobs, health care must be divorced from employment and made a right of all citizens of our state.

Thank you for considering my views. Please pass this measure and move Hawaii forward--for the sake of many thousands of our people!

Sincerely,

John J. Witeck Human Resources Specialist U.H. Manoa 2252 Puna Street Honolulu 96817 956-3478

#### **Supporting SB 424.**

Please pass S.B. 424 that provides for Universal health care in Hawaii. The inequities and costs of the present system are manifest--and well-known. We need to move to a single-payer system and work for a more rational, affordable, and comprehensive health care system that serves ALL our people. The collage and menage of coverages and plans--usually employer-based--are inadequate, and in a time of many losing their jobs, health care must be divorced from employment and made a right of all citizens of our state.

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John Witeck

#### TESTIMONY SB 424, Relating to Health

#### Senate Committee on Health Senator David Ige, Chair

#### Wednesday, February 11, 2009, 3:00 p.m. Conference Room 016

Chair Ige and Members of the Committee:

I am urging your support for SB 424, creating the Hawaii Health Authority.

The cost and efficiency of our health care system is currently being held hostage by a variety of structures, which include organizations that suck a significant portion of our health dollars into infrastructure, administration, and profit. There is no longer any excuse for this wasteful use of money which could be better applied providing services for every citizen in our state.

I experienced the French healthcare system firsthand when I became ill in Tahiti a few years ago. I was taken to a doctor who diagnosed my illness and then prescribed and dispensed medication at his clinic without any concern for payment for either. No paperwork, no wasted time, no costly system of qualification, administration, billing, and collection. I was in and out if the clinic in 30 minutes including waiting my turn with a cue of people in the reception area.

The creation of the Hawaii Health Authority paves the way for a "single payer" system that could provide the type of universal healthcare available to the rest of the top-tier nations of the world.

Thank you for considering my testimony.

Sincerely,

Tom Aitken PO Box 800 Kaneohe, HI 96744

#### TESTIMONY SB 424, Relating to Health

#### Senate Committee on Health Senator David Ige, Chair

#### Wednesday, February 11, 2009, 3:00 p.m. Conference Room 016

Chair Ige and Members of the Committee:

I urge your support for SB 424, creating the Hawaii Health Authority.

Hawaii has long been known as the "Health State", leading the way in being the first state to guarantee health insurance coverage for all employees working 20 hours or more a week in the 1970s through the passage of the Hawaii Prepaid Health Act. Sadly, those days of leadership appear to be behind us, with increasing numbers of part-time laborers unable to get workplace insurance, and more people falling into unemployment.

As a physician in Hawaii, I see the results of our local health care crisis every day. More and more of us are becoming uninsured and under-insured. Even for those lucky enough to have insurance, rising costs and deteriorating coverage cause more than one-in-four of us (28 percent) to go without needed care because we can't afford it. Indeed, of the one million Americans bankrupted by medical bills annually, more than three-quarters had insurance when they got sick. As a physician, I spend more time figuring out patients insurance benefits, arguing with their insurers and fighting to do what is right for people than I do getting to know my patients. The health care system is a NON-SYSTEM, broken and increasingly fragmented and hard to navigate for patients, as well as providers.

The creation of the Hawaii Health Authority is an essential step toward creating a rational plan for comprehensive health care services in Hawaii that will lower cost while expanding access to health services to everyone in our State. The time has come for Hawaii to reclaim its leadership!

Thank you for the opportunity to testify.

Sincerely,

David D Derauf MD MPH Executive Director Kokua Kalihi Valley 808 848 0976 From:

mailinglist@capitol.hawaii.gov

Sent:

Monday, February 09, 2009 5:01 PM

To:

**HTHTestimony** 

Cc:

johni734@hawaiiantel.net

Subject:

Testimony for SB424 on 2/11/2009 3:00:00 PM

Attachments:

SB424 021109 HLT.wpd

Follow Up Flag: Flag Status:

Follow up Flagged

Categories:

Blue Category

Testimony for HTH 2/11/2009 3:00:00 PM SB424

Conference room: 016

Testifier position: support Testifier will be present: No Submitted by: John Ishihara Organization: Individual

Address: 1511 Ainakoa Avenue Honolulu, HI

Phone: 734-5444

E-mail: johni734@hawaiiantel.net

Submitted on: 2/9/2009

Comments:

From: Sent: Stephen Kemble [sbkemble@lava.net] Monday, February 09, 2009 5:53 AM

To:

HTHTestimony SB 424 (Support)

Subject:
Categories:

Blue Category

I am writing in support of SB 424, that would establish the Hawaii Health Authority to develop a plan for universal health coverage for everyone in the State. We are in desperate need of health reform, and the details should be worked out by an appointed expert Authority, rather than piecemeal in the legislature.

Stephen Kemble, MD

Assistant Professor of Medicine, John A Burns School of Medicine Board Certified in Psychiatry and Internal Medicine 600 Kapiolani Blvd, #402 Honolulu, HI 96813

From:

Joel Fischer [jfischer@hawaii.edu] Sunday, February 08, 2009 12:59 PM

Sent: To:

o: HTHTestimony

Subject:

SB424;HTH;2/11/09;3PM;Rm016

Importance:

High

Categories:

Green Category, Blue Category

SB424, Relating to Health HTH: Chair, Sen Ige

#### PLEASE, PLEASE PASS THIS BILL!

We have been very close to initiating a planning process for health care for all in previous sessions. It is clear that the time has come for us to move forward.

The deteriorating economic environment has made health care a key issue as more and more people become unemployed or underemployed, thereby losing their health care benefits. We MUST move forward aggressively to design a health care plan that ensures everyone has access to health care.

Thank you very much for supporting this bill.

Aloha, joel

Dr. Joel Fischer, ACSW President, 19-3, Democratic Party

Professor University of Hawai'i, School of Social Work Henke Hall Honolulu, HI 96822

"It is reasonable that everyone who asks justice should DO justice." Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."

Dr. Martin Luther King, Jr.

"Never, never, never quit." Winston Churchill

TESTIMONY SB 424 ROOM 016 2/11/2009 3:00 PM

Senate Health Committee

Chair Ige and Members of the Committee:

I urge your support for SB 424, creating the Hawaii Health Authority.

For over 20 years A. Q. McElrath (one of the authors of the Hawaii Prepaid Act) has been advocating for revisions in the way Hawaii delivers healthcare to residents of the State - to adapt to the socio/political changes that have transpired since 1974. She has emphasized the need to "rationalize" a system that has become splintered, unequal in application, unaffordable for small employers and the self insured, and fundamentally broken.

(A simple analogy is what happens to a five year old computer that has never been defragmented – it stops working, or works so inefficiently it is no longer useful or effective at doing its task.)

Our healthcare system needs to be "defragged". A cohesive, coherent, affordable, data driven, and rational model needs to be implemented in Hawaii, and throughout the U.S. SB424 creates the Hawaii Health Authority, a body charged with developing a plan to "defrag" Hawaii's healthcare non-system. With your support Hawaii can look forward to a rational, affordable, benefit and beneficiary driven, comprehensive plan by July 1, 2010.

Jory Watland, Coordinator Health Care for All Hawaii From:

mailinglist@capitol.hawaii.gov

Sent:

Tuesday, February 10, 2009 9:47 PM

To: Cc: HTHTestimony leslieg@maui.net

Subject:

Testimony for SB424 on 2/11/2009 3:00:00 PM

Categories:

Green Category, Blue Category

Testimony for HTH 2/11/2009 3:00:00 PM SB424

Conference room: 016

Testifier position: support Testifier will be present: No

Submitted by: Leslie Hartley Gise MD

Organization: Individual

Address: 1035 Naalae Road Kula HI 96790

Phone: 8088783314

E-mail: <u>leslieg@maui.net</u> Submitted on: 2/10/2009

Comments:

Testimony in Support of SB 424 Wednesday, February 11, 2009 Conference Room 016

TO: Senator David Ige, Chair
And Members of the Committee on Health

Re: Support of SB 424.

Health care is too expensive. We are paying for universal coverage but we are not getting it and our health outcomes are poor. Minorities, including part Hawaiians have even worse outcomes. I see patients every day who have to change their doctor, have had their insurance discontinued, who are afraid to go to the doctor or the emergency room because they are afraid of the bill, who cannot get their medicine because of cost and who skip medication because of lack of money. Doctors have no time to talk to patients because the pay is so poor while high tech tests and treatments are paid well although they often do result in better health outcomes (like heart surgery). Universal health care would mean that I would not have to stay in a job for the insurance and I would be proud to be a medical doctor again.

One risk pool is the only cost sustainable solution for health care. 20% of the people use 80% of the care so if we all contribute there is plenty of money to cover everyone for all necessary care. The Hawa'i Health Authority will consolidate Medicaid, Medicare, the State Health Insurance Programs, the State Health Trust Fund, and other Private, State and Federal Funds for Health. We can have a comprehensive state health plan and provide quality affordable health care to all. We are the "Health State" and have been a leader in the past with the Hawai'i Prepaid Health Act in the 1970s supported by Ah Quon McElrath who also helped with SB 424. We do not need to wait for a national program. This can be done on a state level now and rolled into a national program later.

I urge the committee to pass SB 424. Thank you in advance for your attention.

Sincerely,

Leslie Hartley Gise MD Clinical Professor of Psychiatry, John A Burns School of Medicine 1035 Na'alae Road Kula HI 96790 808 878 3314 From:

mailinglist@capitol.hawaii.gov

Sent:

Tuesday, February 10, 2009 11:08 PM

To:

HTHTestimony evan@eshirley.com

Cc: Subject:

Testimony for SB424 on 2/11/2009 3:00:00 PM

Categories:

Green Category, Blue Category

Testimony for HTH 2/11/2009 3:00:00 PM SB424

Conference room: 016

Testifier position: support Testifier will be present: No Submitted by: Evan R. Shirley

Organization: Individual

Address: 841 Bishop Street Honolulu

Phone: 808-528-2875

E-mail: <a href="mailto:evan@eshirley.com">evan@eshirley.com</a>
Submitted on: 2/10/2009

#### Comments:

Aloha. I am writing in support of SB 424 to permit the Health Authority to develop plans for universal health care in the State of Hawai'i.

Each of Hawai'i's citizens, as well as each of you on this Committee, deserve an opportunity to enjoy a long life, good health, and prosperity.

Thank you for the opportunity to be heard on this important bill.

Evan R. Shirley Honolulu, Hawai'i

#### 9 February, 2009

TO: Senator David Ige, Chair

And Members of the Committee on Health

RE: TESTIMONY IN SUPPORT OF SB 424

I am a physician working at Kalihi Palama Health Center, Kokua Kalihi Valley Health Center, IHS Health Care for the Homeless Project and the Aloha Medical Mission. I am writing to testify in strong support of SB 424.

As costs for insurance, medications, long-term care, and other medical, dental and behavioral health services continue to rise, it is urgently necessary that the State of Hawaii establish a central authority. The current health care system is a poorly woven patchwork quilt, with little to show from its high costs in population health indicators. The United States is one of the only developed countries where health indicators have fallen in recent years. The health care system in the U.S. drastically needs reform, but politicians in Washington D.C. are offering the same tired ideas in response to the crisis. As the case of Massachusetts has regrettably shown, attempting to achieve health care for all to an already broken system does not work.

Hawaii has long been known as the "Health State". Hawaii led the way in being the first state to guarantee health insurance coverage for all employees working 20 hours or more a week in the 1970s through the passage of the Hawaii Prepaid Health Act. The great state of Hawaii needs to lead by example by providing health care to all its residents through a comprehensive state health plan. The Health Authority will consolidate the Medicaid program, the Medicare program, the State Health Insurance Programs, the resources of the State Health Trust Fund, and other Private, State and Federal Funds for Health into a single administrative entity. The creation of the Hawaii Health Authority is an essential step toward creating a rational plan for comprehensive health care services that lowers cost while expanding access to health services to everyone.

I urge the committee to pass SB 424. Thank you for this opportunity to testify.

Sincerely,

Ritabelle Fernandes, MD, MPH, FACP Board Certified Internist and Geriatrician Clinical Associate Professor Geriatric Medicine Department, JABSOM University of Hawaii

#### Testimony on Senate Bill 424 Health Committee February 11, 2009

Dear Chair Ige and Health Committee members,

Access to health care is a human right, and it is being systematically violated for tens of millions of Americans. It is time for Hawaii to unambiguously reject this violation of human rights through the creation of the Hawaii Health Authority, with a mandate to create a plan for universal coverage of all state residents by 2010. We have a choice. We can lead by example in these trying economic times, or we can fall back on business as usual, and pay later for our refusal to act now.

The costs of our broken system are falling health indicators and significant excess death, illness and injury. The currency of this cost is in human life and wellbeing. The emergency room should be a last resort, and not the first point of access for Americans who waited too long to seek help in the fear that they could not afford medical care.

The current employer-based health system is failing to cover Hawaii's population, a fact oft repeated by the late A.Q. McElrath, the legendary community organizer who helped shape the Hawaii Prepaid Health Act in the 1970s and a longtime supporter of the current bill. Employers must still play an important part in ensuring health insurance for their employees, but the current system encourages employers to create more part-time jobs to avoid covering workers' insurance premiums. Too many of Hawaii's residents are excluded by the current system of financing the provision of health care.

Fixing a broken system is no small task, but as a student of public health and a former and future health care worker, I can attest that finding a way to provide *comprehensive* health care to all residents of Hawaii is necessary for a number of social, economic and health reasons. It also is simply the right thing to do. I thank the Committee and its members for your time and consideration.

Sincerely,

Kris Coontz Hui Ola Pono Graduate Student group The Department of Public Health Sciences University of Hawaii at Manoa

Address:

1099 Green St. Apt. 409 Honolulu, HI 96822

808-927-0048

kcoontz@hawaii.edu

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 11, 2009 1:53 AM

To: HTHTestimony Cc: kcoontz@hawaii.edu

**Subject:** Testimony for SB424 on 2/11/2009 3:00:00 PM

Testimony for HTH 2/11/2009 3:00:00 PM SB424

Conference room: 016

Testifier position: support Testifier will be present: No Submitted by: Kris Coontz Organization: Hui Ola Pono

Address: 1099 Green St. Apt. 409 Honolulu, HI

Phone: 808-927-0048

E-mail: <a href="mailto:kcoontz@hawaii.edu">kcoontz@hawaii.edu</a>
Submitted on: 2/11/2009

#### Comments:

Testimony on Senate Bill 424 Health Committee February 11, 2009

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Sincerely,

Kris Coontz Hui Ola Pono Graduate Student group The Department of Public Health Sciences University of Hawaii at Manoa