

MAR 07 2025

SENATE CONCURRENT RESOLUTION

SUPPORTING THE REACTIVATION OF, AND URGING THE GOVERNOR TO APPOINT MEMBERS TO, THE HAWAII HEALTH AUTHORITY TO PLAN FOR A TRANSITION TO A MAXIMALLY COST-EFFECTIVE SINGLE-PAYER HEALTH CARE SYSTEM FOR THE STATE, TO BE IMPLEMENTED AS SOON AS POSSIBLE AFTER WAIVERS HAVE BEEN OBTAINED TO CAPTURE ALL MAJOR SOURCES OF FEDERAL FUNDING FLOWING TO THE STATE THROUGH MEDICARE, MEDICAID, AND TRICARE.

1 WHEREAS, the Trump administration and the Republican
2 majority in the United States Congress are threatening deep cuts
3 to federal Medicaid funding; and

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5 WHEREAS, Hawaii may soon be in urgent need for a more cost-
6 effective health care financing system if cuts to Medicaid are
7 implemented; and

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9 WHEREAS, a Hawaii single-payer health care financing system
10 could achieve large savings from reduced administrative costs
11 without cuts to care delivery by doctors and hospitals; and

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13 WHEREAS, global budgets based on the cost of operations
14 could eliminate about fifteen percent of total hospital budgets
15 that would otherwise be apportioned for billing and collection
16 costs; and

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18 WHEREAS, independent doctors paid with simplified,
19 standardized fee-for-service based on time and required training
20 for a given procedure, rather than assigning a relative value to
21 each of thousands of procedure codes, could markedly reduce
22 billing and collections costs that now consume around fifteen
23 percent of physician practice revenue; and

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1 WHEREAS, similar savings in the fifteen percent range could
2 be achieved from reduced administrative cost for a Hawaii
3 single-payer administrator; and

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5 WHEREAS, some of these savings could be used to fund
6 community-based programs for high-risk and special needs
7 patients and specialist consultations to primary care to save
8 the cost of preventable emergency room visits and
9 hospitalizations; and

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11 WHEREAS, some of these savings could be used to improve
12 take-home pay for primary care specialties and psychiatry so
13 that doctors in under-paid specialties could afford Hawaii's
14 high cost of living, reversing the State's severe physician
15 shortage; and

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17 WHEREAS, health care costs for Medicaid and state and
18 county employee and retiree benefits now consume around thirty
19 percent of the total state budget; and

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21 WHEREAS, all the above administrative cost savings could
22 add up to a reduction in Hawaii health care costs in the range
23 of thirty percent or more, reducing the total state budget by
24 around nine percent; and

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26 WHEREAS, the Hawaii Health Authority is already established
27 in state law with a mission of planning for a universal health
28 care system covering all residents of the State, but the
29 Authority is currently inactive; now, therefore,

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31 BE IT RESOLVED by the Senate of the Thirty-third
32 Legislature of the State of Hawaii, Regular Session of 2025, the
33 House of Representatives concurring, that this body supports the
34 reactivation of, and the Governor is urged to appoint members
35 to, the Hawaii Health Authority to plan for a transition to a
36 maximally cost-effective single-payer health care system for the
37 State, to be implemented as soon as possible after waivers have
38 been obtained to capture all major sources of federal funding
39 flowing to the State through Medicare, Medicaid, and Tricare;
40 and

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1 BE IT FURTHER RESOLVED that the Hawaii Health Authority is
2 requested to submit a report of its progress and
3 recommendations, including any proposed legislation, to the
4 Legislature no later than twenty days prior to the convening of
5 the Regular Session of 2026; and

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7 BE IT FURTHER RESOLVED that certified copies of this
8 Concurrent Resolution be transmitted to the Governor, Director
9 of Finance, and Director of Human Services.

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OFFERED BY: Karl Nhooh

