

MAR 07 2025

SENATE CONCURRENT RESOLUTION

SUPPORTING THE REACTIVATION OF THE HAWAII HEALTH AUTHORITY WITH
STATUTORY MANDATES THAT SPECIFICALLY INCLUDE THE TRANSITION
OF THE STATE'S HEALTH INSURANCE PAYMENT SYSTEM INTO A
SINGLE-PAYER HEALTH CARE SYSTEM.

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, the State may soon be in urgent need for a much
6 more cost-effective health care financing system if cuts to
7 Medicaid funding are implemented; and

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

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14 WHEREAS, hospitals that are paid with global budgets based
15 on the cost of operations, including salaries for employed
16 doctors, could nearly eliminate the cost of billing and
17 collections that now consume around fifteen percent of total
18 hospital budgets nationwide; and

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20 WHEREAS, independent doctors paid pursuant to a simplified,
21 standardized fee-for-service structure based on time and
22 required training for a given procedure, instead of trying to
23 assign a relative value to each of thousands of procedure codes,
24 could markedly reduce billing and collections costs that now
25 consume around fifteen percent of physician practice revenue
26 nationwide; and

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28 WHEREAS, similar savings in the fifteen percent range could
29 be achieved from reduced administrative cost through the
30 establishment of a single-payer administrator in the State; and
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1 WHEREAS, some of these administrative cost savings could be
2 used to fund community-based programs for high-risk and special
3 needs patients and specialist consultations for primary care to
4 save costs from preventable emergency room visits and
5 hospitalizations; and
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7 WHEREAS, some of these administrative cost savings could be
8 used to improve take-home pay for primary care specialists and
9 psychiatrists so that doctors in under-paid specialties could
10 afford the State's high cost of living, potentially reversing
11 the State's severe physician shortage; and
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13 WHEREAS, health care costs for Medicaid and state and
14 county employee and retiree benefits now consume around thirty
15 percent of the total state budget; and
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17 WHEREAS, the total administrative cost savings from the use
18 of a single-payer administrator could add up to a reduction in
19 the State's health care costs in the range of thirty percent or
20 more, reducing the total state budget by around nine percent;
21 and
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23 WHEREAS, Act 11, Special Session Laws of Hawaii 2009,
24 established the Hawaii Health Authority (HHA), codified at
25 chapter 322H, Hawaii Revised Statutes, with a mission to develop
26 a comprehensive plan for a universal health care system covering
27 all residents of the State, but the HHA is currently inactive;
28 now, therefore,
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30 BE IT RESOLVED by the Senate of the Thirty-third
31 Legislature of the State of Hawaii, Regular Session of 2025, the
32 House of Representatives concurring, that this body supports the
33 reactivation of the Hawaii Health Authority with statutory
34 mandates that specifically include the transition of the State's
35 health insurance payment system into a single-payer health care
36 system, to be implemented after waivers for Medicare, Medicaid,
37 and Tricare have been obtained and all sources of federal
38 funding for these programs have been exhausted; and
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S.C.R. NO. 201

1 BE IT FURTHER RESOLVED that certified copies of this
2 Concurrent Resolution be transmitted to the Director of Health,
3 Director of Budget and Finance, and Insurance Commissioner.
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OFFERED BY:

John Hubbard

