
HOUSE 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 Budget Reconciliation Act, signed into law in
2 July 2025, cuts over \$1,000,000,000,000 in Medicaid over ten
3 years, with estimates suggesting that it will result in fifteen
4 million more people without health insurance by 2034; and
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6 WHEREAS, these cuts will have a significant impact on
7 Hawaii's healthcare system, with more than four hundred thousand
8 residents participating in Medicaid; and
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10 WHEREAS, the University of Hawaii Economic Research
11 Organization estimates that the cuts would create a loss of
12 \$400,000,000 in Medicaid spending in Hawaii; and
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14 WHEREAS, these developments further necessitate the
15 establishment of a more cost-effective health care financing
16 system; and
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18 WHEREAS, a Hawaii single-payer health care financing system
19 could achieve large savings from reduced administrative costs
20 without cuts to care delivery by doctors and hospitals; and
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22 WHEREAS, global budgets based on the cost of operations
23 could eliminate about fifteen percent of total hospital budgets
24 that would otherwise be apportioned for billing and collection
25 costs; and
26

27 WHEREAS, independent doctors paid with a simplified,
28 standardized fee-for-service structure based on time and



1 required training for a given procedure, rather than assigning a
2 relative value to thousands of procedure codes, could markedly
3 reduce billing and collections costs that now consume around
4 fifteen percent of physician practice revenue; and
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6 WHEREAS, similar savings in the fifteen percent range could
7 be achieved from reduced administrative costs for a Hawaii
8 single-payer administrator; and
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10 WHEREAS, some of these savings could be used to fund
11 community-based programs for high-risk and special needs
12 patients and specialist consultations to primary care to save
13 the cost of preventable emergency room visits and
14 hospitalizations; and
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16 WHEREAS, some of these savings could be used to improve
17 take-home pay for primary care specialties and psychiatry so
18 that doctors in underpaid specialties could afford Hawaii's high
19 cost of living, reversing the State's severe physician shortage;
20 and
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22 WHEREAS, health care costs for Medicaid and state and
23 county employee and retiree benefits now consume around thirty
24 percent of the total state budget; and
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26 WHEREAS, all the above administrative cost savings could
27 add up to a reduction in Hawaii health care costs in the range
28 of thirty percent or more, reducing the total state budget by
29 around nine percent; and
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31 WHEREAS, the Hawaii Health Authority is already established
32 in state law with a mission of planning for a universal health
33 care system covering all residents of the State, but the
34 Authority is currently inactive; now, therefore,
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36 BE IT RESOLVED by the House of Representatives of the
37 Thirty-third Legislature of the State of Hawaii, Regular Session
38 of 2026, that this body supports the reactivation of, and the
39 Governor is urged to appoint members to, the Hawaii Health
40 Authority to plan for a transition to a maximally cost-effective
41 single-payer health care system for the State, to be implemented
42 as soon as possible after waivers have been obtained to capture



H.R. NO. 87

1 all major sources of federal funding flowing to the State
2 through Medicare, Medicaid, and TRICARE; and

3
4 BE IT FURTHER RESOLVED that the Hawaii Health Authority is
5 requested to submit a report of its progress and
6 recommendations, including any proposed legislation,
7 to the Legislature no later than twenty days prior to the
8 convening of the Regular Session of 2027; and

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10 BE IT FURTHER RESOLVED that certified copies of this
11 Resolution be transmitted to the Governor, Director of Finance,
12 and Director of Human Services.

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OFFERED BY:



MAR 12 2026

