

Health Security for Everyone, Everywhere, All the time.

4 C's: CONSTITUTIONALITY, CRITERIA, CONDITIONS, CAPITATION

BASICS OF A HEALTH SECURITY ACT FOR HAWAI'I, 2005

I. CONSTITUTIONALITY

The Preambles to the Constitutions of the United States and the State of Hawai'i shall be implemented by this Act:

- A. The **U.S. Constitution** states that "...the people of the United States, in order to "...promote the general welfare... do ordain and establish this Constitution..."
- B. The **Hawai'i State Constitution** states that "the people reserve the right... to preserve the quality of life we deserve."

This proposed Act promotes the general welfare of the people of Hawai'i and preserves the quality of life which all of us in Hawai'i deserve through guaranteed universal health security insurance.

II. CRITERIA

A. The following criteria shall be implemented:

1. **Universality.** All residents of the state of Hawai'i shall be covered by health insurance.
2. **Portability.** All residents of Hawai'i shall be covered by health insurance throughout Hawai'i and while on temporary absence from Hawai'i during two consecutive years, except retirees from Hawai'i shall be covered throughout their lives.
3. **Equality.** No person covered by this Act shall be excluded from coverage; all covered persons shall be given equal access to the benefits of health care.
4. **Singularity.** All payments into the Hawai'i Health Security program shall pay one premium collected and disbursed by one entity, the Health Security Administration of the State of Hawai'i. No beneficiary of the Hawai'i Health Security Plan shall receive benefits if covered by another plan covering the same kind of illness (no double-dipping).
5. **Affordability & Accessibility.** Payment shall be made according to a sliding schedule of obligations set by law based on the ability to pay. Unequal payment shall not either limit or increase equal coverage.
6. **Professionalism.** Only a licensed physician or other medical practitioner shall determine the degree of treatment needed by each patient.
7. **Non-Profitability.** Providers of health care under this Act shall be non-profit organizations licensed by the State of Hawai'i.
 - A. **Non-profiteering.** No state-licensed deliverer of health care shall be a for-profit organization or individual.

B. **BASIC DELIVERY OF HEALTH CARE: WHAT'S COVERED?** To preserve life and health, health care insurance shall cover

1. **primary care and prevention**
2. **inpatient care**
3. **outpatient care**
4. **emergency care**
5. **prescription drugs**

6. **durable medical equipment**
7. **long term care**
8. **Mental health services**
9. **Substance abuse treatment**
10. **Chiropractic and other licensed health services**
11. **Vision and hearing and treatment**
12. **Primacy of doctor and other health professional-patient relationship (not bureaucrats).**

III. CURRENT CONDITIONS

1. 120,000 residents of Hawai'i have no health insurance.
2. 45,000,000 Americans have no health insurance.
3. The average per-capita health care cost in the U.S. is \$6,000 per person in the US. In Canada and other first world countries it is about half of that, ranging from about 30% to 60%.
4. Families can be bankrupted by serious illness.
5. Small clinics and sole-practitioner physicians sometimes cannot keep up with the demands of **private sector bureaucracy**.
6. Insurance Companies, pharmaceutical firms, for-profit hospitals and HMOs, and personal injury lawyers make enormous profits from or off the goods and services they provide.
7. Large corporations like Wal Mart purposely fail to provide adequate care because that way they can throw the burden on emergency care.
8. Administrative costs in the private sector are the largest single source of unnecessary costs.
9. Hostile myths (polite for lies) are often spread by health oligarchs: "we already have it; what we have is ok; leave it to market forces; private is always better than public; Medicare is going broke; we can't afford universal coverage; Americans won't stand for rationed coverage; we don't want socialized medicine; the insured pay more in order to cover the uninsured; high costs are the inevitable product of R&D into new drugs; we should do it a little at a time; universal health care is contrary to freedom loving Americans."

IV. CAPITATION CALCULATION, SINGLE PAYER PLAN (some preliminaries).

1. State and Federally funded; State administered; physician delivered.
2. State shall discover the average per-capita **cost** of health care from insurer (producer cost.)
3. State shall discover the average per-capita **payment** of health care to both the insured and the uninsured (consumer price).
4. State shall discover the reasons for **disparities** between **insurer (producer) cost and consumer payment**.
5. State shall budget health security based on per capita payment to the insured. .
6. New MDs will pay off educational loans by practicing for two years in underserved areas.

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