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## Healthcare Association of Hawaii

I had the distinct honor of voting for the original Medicare legislation proposed by President Lyndon Johnson as an integral component of his vision for a Great Society. In 1964, my longtime friend called on the American people to join in the battle to build the Great Society, to go beyond our material progress to build a richer life of mind and spirit. The following year we passed the Presidents landmark Medicare and Medicaid legislation. I still vividly recall the turmoil of the day, the opposition of organized medicine, and the emotional allegations that we were forcing socialized medicine upon our nations elderly. My first wife Maggie received numerous calls from her childhood friends who were married to physicians, calling me a communist.

Yes, we were changing the status quo in a very fundamental and meaningful way. And today nearly every senior citizen in our nation is grateful that President Johnson had the vision to propose national health care for the elderly and disabled.

In his first Joint Session of Congress, President Obama presented a very similar message: We will rebuild, we will recover, and the United States of America will emerge stronger than ever.... The costs of health care eats up more and more of our savings each year, yet we keep delaying reform.... We dont do whats easy. We do what is necessary to move this country forward.... He issued a challenge to Congress and the American people to support long-needed health care reform.

On December 24th, we enacted President Obamas landmark Health Care Reform. This, combined with the enactment of the Economic Stimulus legislation, provided the basis for an entirely new American health care system. As we are presently experiencing, it has raised considerable turmoil among those favoring the status quo. Yet, I am confident it will be well received by generations to come.

We will no longer be the only industrialized nation in the world to not ensure all citizens will

have timely access to the health care they require.

Our nations health care costs will no longer continue to escalate faster than any other segment of our economy. The nonpartisan Congressional Budget Office reports that this legislation will reduce the federal deficit by \$143 billion over the first 10 years of enactment, while ensuring that 94% of Americans have health insurance.

Working as a team, your delegation was able to convince the Administration and our Congressional colleagues to treat Hawaii just a little bit special. We were able to secure an exemption for the Hawaii Prepaid Health Care Act, as long as we provide coverage that is at least as comprehensive as the federal mandates. Since 1974 this visionary legislation has served our State well.

The new law will provide 14,000 Hawaii small businesses with tax credits to help make coverage more affordable. It will close the Medicare Part D gap or donut hole and other Medicare benefits will positively impact 193,000 Hawaii seniors. And, Medicare premiums will be reduced for 120,000 Hawaii seniors who are currently not enrolled in Medicare Advantage. Family health insurance premiums will be reduced by \$1,460-\$2,080 for the same benefits. Your delegation was successful in modifying the Disproportionate Share Hospital payments (DSH) provision to provide an additional \$100 million for our States hospitals through 2019. We also included the reauthorization of the Native Hawaiian Health Care Act in the Presidents bill. Additionally, we provided resources for our statewide federal community health centers which serve as a safety net for the uninsured and under-insured.

The Presidents health care reform law was written primarily with a consumer focus, not a provider focus. Children can remain on their family health insurance plan until the age of 26 this is a major issue for those with children who are uninsured (for example recent college graduates). Pre-existing conditions will no longer be an acceptable excuse for denying health care coverage. And patients will no longer be dropped from their plans, merely because they become ill and need the coverage.

The underlying goals of the Presidents landmark health care reform legislation is to increase access to quality primary care, reduce costs, enhance preventive services and wellness care, and eliminate disparities. Especially with our States increasing elderly population, we must work together to develop systems of care which transform the locus of care. By that I mean, we can no longer afford to act and think in isolated professional silos. We must communicate with each other. We must work together to effectively utilize technology, such as telehealth and virtual realities; and we must work to actively engage our States citizens to enhance their own health care. Unprecedented change is upon us and I am confident we will

rise to the occasion as Presidents Johnson and Obama have envisioned. We are and must continue to be the Healthiest State in the nation.