



Ohio House of Representatives

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Committees:

- Finance
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- Joint Committee on Agency Rule Review

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Sponsor Testimony on House Bill 292
Establishing the Ohio Health Care Plan
(Single-Payer Universal Health Care for All Ohioans)
Provided by Representative Michael J. Skindell
Before the House Health Committee
September 10, 2019

Chairman Merrin, Vice Chair Manning, Ranking Member Boyd and members of the House Health Committee, it is a pleasure to provide sponsor testimony on HB 292. I am joined by Representative Kennedy Kent as a joint sponsor of this important legislation. This legislation seeks to create the Ohio Health Care Plan, which will provide single-payer universal access to quality health care, dental care and vision services for all Ohioans.

Containing health-care costs and getting people insured--- particularly, lower-wage workers--- are still challenges. It is a burden on individuals and employers alike. Even with the Affordable Care Act, we have not attained universal coverage in our country. For many, health care and health insurance is a major economic burden. This bill seeks to solve this problem at the state level. Health insurance coverage and containing health care costs are critical issues presently discussed right now, both in Washington, D.C. and here in this state.

By definition, a single-payer health-care system is one in which the medical costs of the citizens are financed by one source, usually a publicly funded source. The underlying philosophy of single payer is that every citizen should have equal access to health care and that eliminating the profit-motive contained in the way we insure our citizens by having instead public financing of health care makes this possible. A single-payer health care system would achieve two benefits: minimized bureaucracy and universal coverage.

Single payer is not “socialized medicine.” Under socialized medicine (such as in the United Kingdom), the government controls all aspects of the system, from financing to delivery. Government operates the clinics and employs the medical professionals. On the other hand, single payer simply refers to a system where the government collects and distributes the money used by individuals for health care. For those who believe single payer is a novel approach to providing medical care, it is not. Medicare, which has provided comprehensive access to medical care for U.S. seniors and the disabled for nearly four decades, is such a plan.

The major provisions of HB 292 would do the following:

- Provide for universal health care coverage to all Ohioans. Every Ohioan would have a free choice of providers and be fully covered for necessary services such as routine out-patient services, prescription drugs, medical supplies, and medical transportation. Services are provided without co-payments or deductibles. Coverage will be provided regardless of income or employment status. There will be no exclusions for pre-existing conditions. Payment to health care providers for all covered benefits will be made from a single-public fund, called the Ohio Health Care Fund.
- The Plan will be administered by the Ohio Health Care Agency, which will operate under the direction of the Ohio Health Care Board. The Board will establish standards to demonstrate proof of residency. The Board will also seek all necessary waivers, exemptions, agreements, or legislation to allow various federal and state health care payments to be made to the Ohio Health Care Agency, which would then assume responsibility for all benefits and services previously paid for by those funds. In the absence of waivers for Medicare and Medicaid, these plans will be considered primary insurers and the Plan will be the secondary insurer. Until such time as waivers are obtained, the Plan will not pay for services for persons otherwise eligible for the same benefits under Medicare or Medicaid.
- The Plan calls for the establishment of a Technical and Medical Advisory Board, made up of health care providers and representatives of consumers, to help establish policy on medical issues. The Act will create a Division of Consumer Affairs to represent consumer interests.
- Under the Plan, workers who lose employment as a result of the implementation of it will be eligible for training and help in securing alternative employment. The Ohio Health Care Agency will determine in each case the appropriate amount of payment based on information from the Ohio Department of Job and Family Services.
- Funding for the Plan shall be obtained from a mix of revenue sources including payroll, gross receipts and income taxes. These funds are in addition to existing state and federal dollars already used in Ohio for services rendered under Medicaid and Medicare. Under this legislation 91% of Ohio residents will experience no tax increase whatsoever.

Costs will be controlled by simplifying the billing system, establishing budgets and negotiating the bulk purchasing of pharmaceutical drugs, as well as by other methods. It is expected that with streamlining administration functions and billing procedures, the Plan will result in an estimated \$11.6 billion or more in savings. Administrative functions eat nearly one-third of every health care dollar spent in this country. The Plan will rid our system of this waste.

Ohio businesses and residents are already paying more than \$70 billion annually in state and federal taxes, health insurance premiums and out-of-pocket costs for health care. The Plan will not increase that amount; in fact, it seeks to reduce that cost by more than \$11 billion annually through the administrative savings. Of the \$70 billion in annual healthcare costs, more than \$36 billion is from Medicare and Medicaid. Private funding from health insurance companies makes up roughly the remaining portion. It is this amount we would be paying for in a single-payer system, except that we do expect to save drastically on overhead and administrative costs.

Chairman Merrin, Vice Chair Manning, Ranking Member Boyd and members of the House

Health Committee, thank you for the opportunity to provide sponsor testimony on HB 292. I would be happy to answer any questions that you may have on this legislation.