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3 **RESOLUTION 13-09A**
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5 **Title: Single- Payer System**
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7 **Introduced by: Harvey W. Halberstadt, MD, Oakland County**
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9 **Original Author: Harvey W. Halberstadt, MD**
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11 **Referred to: Reference Committee A**
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13 **House Action: Disapproved**
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16 **Whereas, the spiraling costs of the broken health system in the United**
17 **States are anticipated to exceed the profits of the Fortune 500 companies next**
18 **year, and**

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20 **Whereas, General Motors states that health care costs are hindering its**
21 **competitiveness, and**

22
23 **Whereas, private insurers seek to insure the healthy and not the sick,**
24 **and**

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26 **Whereas, a study done by the Lewin Group, a health care consulting**
27 **firm, estimates that administrative costs consume 20 percent of the total**
28 **health care expenditures nation-wide, and**

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30 **Whereas, there is an enormous amount of paperwork required of**
31 **American doctors and hospitals that does not exist in countries like Canada**
32 **and Britain, and**

33
34 **Whereas, the United States spent for health care an average of \$6,702 a**
35 **person in 2004 while Canada spent \$3,165 a person, France \$3,150, Australia**
36 **\$3,120, and Britain \$2,205, according to the Organization for Economic**
37 **Cooperation and Development as cited in The New York Times on December**
38 **31, 2006, and**

39
40 **Whereas, a single payer system allows patients to choose their own**
41 **doctors with the government providing the insurance that encouraged**
42 **competition among providers, and**

43
44 **Whereas, with a single payer system the insurer pays doctors,**
45 **pharmacists, and hospitals at a preset rate allowing patients to elect being out**
46 **of the system, and**

47 Whereas, unlike a single payer system, the American system has
48 unnecessary costs such as duplicate processing of claims, unpaid claims,
49 large number of insurance products, complicated billing systems, and huge
50 marketing costs compounded by profits and excessive pay and generous
51 benefits to executives of the insurance companies, and
52

53 Whereas, Medicare spends less than two cents of every dollar on
54 administrative costs, allowing 98 cents to pay for medical care, but private
55 insurance companies spend 80 cents of each dollar in premium on medical
56 care with much of the remaining 20 cents spent denying insurance to those
57 who need it (New York Times), and
58

59 Whereas, unlike Medicare, private health insurance companies have
60 employees cull medical records with the deliberate intent to revoke insurance
61 after purchase on the pretext that the insurees had failed to notify the
62 companies of a pre-existing condition that the insurers were not aware of
63 (New York Times, documentary Sicko), and
64

65 Whereas, Humana has a staff of physicians to review medical records
66 for medical necessity with the instruction to deny 10 percent of the reviewed
67 case and with the understanding that bonuses are earned if the rejection rate
68 is greater than 10 percent (documentary Sicko); therefore be it
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70 **RESOLVED:** That MSMS support federal legislation for a single payer
71 system modeled upon Medicare.
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74 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**