AMENDMENT
OFFERED BY MR. KUCINICH OF OHIO

Add at the end of title II of division A the following new subtitle:

Subtitle D—State Innovation

SEC. 261. WAIVER OF ERISA LIMITATION; APPLICATION INSTEAD OF STATE SINGLE PAYER SYSTEM.

(a) In general.—A State may request from the Secretary, and the Secretary must grant except under extraordinary circumstances, a waiver of application of section 514 of the Employee Retirement Income Security Act of 1974 with respect to a state single payer system enacted into law by such State that would be structured and operate in a manner consistent with this subtitle. The Secretary shall provide for the revocation of any waiver granted under this section upon a determination made by the Secretary that the requirements of the preceding sentence are no longer being met.

(b) Effect of waiver.—During any period for which a waiver under subsection (a) is in effect—

(1) the provisions of section 514 of the Employee Retirement Income Security Act of 1974 shall
not apply with respect to the State single payer sys-

(2) the State single payer system shall operate

in the State instead of the public health insurance

option or the National Health Exchange.

(c) CONSTRUCTION.—Nothing in this subtitle shall be

construed to limit or otherwise affect the transfer and allo-

cation under this Act of funds to States with single payer

systems.

SEC. 262. REQUIREMENTS.

A State single payer system shall—

(1) provide benefits that meet or exceed the

standards of coverage and quality of care set forth

in this Act; and

(2) ensure that the cost to the Federal Govern-

ment resulting from the waiver granted under sec-

tion 261 is neither substantially greater nor substan-

tially less than would have been the case in the ab-

sence of such waiver, except that:

(A) the State may seek and benefit from

planning and start-up funds with respect to the

system; and

(B) nothing in this paragraph shall be con-

strued to preclude allowance for normal vari-

ations in population demographics, health sta-
tus, and other factors exogenous to the health care system that may affect differences in costs.

SEC. 263. DEFINITIONS.

(a) **State Single Payer System.**—The term “State single payer system” means, in connection with a State, a non-profit program of the State for providing health care—

(1) in which a single agency of the State is responsible for financing health care benefits for all residents of the State and for the administration or supervision of the administration of the program;

(2) under which private insurance duplicating the benefits provided in the single payer program is prohibited;

(3) which provides comprehensive health benefits to all residents of the State, and provides measures to assure free choice of providers for covered services, to promote quality, and to help resolve complaints and disputes between consumers and providers; and

(4) under which participation by health maintenance organizations is limited to non-profit health maintenance organizations that own their own delivery facilities and employ physicians on salary, and
funding is limited to services that the health maintenance organizations actually deliver; and

(5) which may be maintained by such State together one or more other States in a geographic region.

(b) SECRETARY.—The term “Secretary” means the Secretary of Labor, acting in consultation with the Secretary of Health and Human Services.