

SA2005RF0095  
Amdt#1-S

Title and Initiative Summary Request  
(ix 9002).

September 4, 2005

Tricia Knight  
Initiative Coordinator  
Office of the California Attorney General  
P.O. Box 944255  
Sacramento, CA 94244-2550

RECEIVED

SEP 06 2005

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Dear Ms Knight:

On behalf of <http://www.renaissanceamerica.org> the proponent of this Initiative, I would like to take this opportunity to request that this amended initiative be accepted as the final version of SA2005RF0095 initiative measure to be prepared by the Office of the Attorney General Initiative Coordinator section.

Respectfully,

David K. Johnson  
Chairman and CEO, Renaissance America  
P.O. Box 3126  
Beverly Hills, CA. 90212

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INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Dear Ms Knight:

On behalf of <http://www.renaissanceamerica.org> the proponent of this Initiative, I would like to take this opportunity to request that a title and summary of the chief purpose and points of the proposed initiative measure be prepared by the Office of the Attorney General Initiative Coordinator section.

Respectfully,

David K. Johnson  
Chairman and CEO, Renaissance America  
P.O. Box 3126  
Beverly Hills, CA. 90212  
<http://www.renaissanceamerica.org>

A2005 RF0095  
Amdt #1-5

CALIFORNIA CONSTITUTION

This initiative measure is submitted to the people in accordance with the provisions of Article II, Section 8 of the Constitution.

This initiative measure adds a new article to the California Constitution.

**ARTICLE XX. Hippocratic Oath - Taxation Elimination Medical Compensation, Uninsured Healthcare Coverage, Healthcare Cost Reduction**

SECTION 1. DECLARATION: The People of California find and declare as follows:

That medical decisions should be made by patients and their doctors.

That seniors, children and other California resident U.S. citizens should be able to have their healthcare needs met by physicians dedicated to caring for the sick.

That the state cannot be as competitive as it could be if it were able to lower the healthcare cost of doing business within the state.

That doctors and other healthcare professionals should be encouraged to be true to their oath to help those in need and be compensated for their dedication.

Capitation (Cap, Capped, Capitate) – Specified amount paid periodically to health provider for a group of specified health services, regardless of quantity rendered. Amounts are determined by assessing a payment “per covered life” or per member. The method of payment in which the provider is paid a fixed amount for each person served no matter what the actual number or nature services delivered. The cost of providing an individual with a specific set of services over a set period of time, usually a month or a year. A payment system whereby managed care plans pay health care providers a fixed amount to care for a patient over a given period. Providers are not reimbursed for services that exceed the allotted amount. The rate may be fixed for all members or it can be adjusted for the age and gender of the member, based on actuarial projections of medical utilization. Capitated Medical Centers shall be defined as Medical Centers whose doctors and other medical professionals are salaried medical center employees that charge set fees for medical procedures and services that can be negotiated with businesses, corporations and insurance companies.

SECTION 2. **Taxation Elimination Medical Compensation:** Doctors who register at least 100 U.S. citizen California residents and provide healthcare services as required by their uninsured patients annually to those registered may write off the standard average cost of the care provided against their state income taxes.

- 2.1 The staff of doctor's offices in which all licensed practicing physicians working out of said offices each have 100 registered patients and provide unlimited quality healthcare services to all registered U.S. citizen California resident patients may also write off the cost of their contribution to the services provided against their state income taxes.
- 2.2 All doctors' offices providing services to uninsured patients must verify that all registered patients are U.S. citizen California residents.

- 2.3 In order to qualify for the state tax write off all doctors must provide proof to the state that all the patients for whom they provide free healthcare services were U.S. citizen California residents.
- 2.4 The state may not allow doctors to write off charges for free healthcare provided unless proof is provided that all charges resulted from free healthcare services provided to U.S. citizen California residents.
- 2.5 The state must verify that doctors are providing quality free healthcare to all registered U.S. citizen California residents.
- 2.6 The state must verify that all free quality healthcare provided is to registered U.S. citizen California residents.
- 2.7 The state must verify that requests for deductions for healthcare services are unique and not charged by multiple doctors for the same patient service.
- 2.8 Doctors may designate specific time periods for uninsured patients.
- 2.9 The state must publish and maintain a list of eligible uninsured U.S. citizen California residents.
- 2.10 Doctors must verify that uninsured patients are on the list of approved uninsured U.S. citizen California residents.
- 2.11 Doctors who personally register a minimum of 100 patients and provide free quality healthcare to those registered patients on demand shall be exempt from all state personal income taxes.
- 2.12 Medical Centers, doctors, nurses and medical professionals working in healthcare facilities in which all the doctors within the facility individually register a minimum of 100 patients and provide free quality healthcare to those registered patients on demand shall be exempt from all state corporate income taxes.
- 2.13 Doctors who provide free unlimited healthcare coverage to a minimum of 100 patients annually shall pay no state income tax.
- 2.14 Doctors who work full time in capitated healthcare centers shall pay no state income taxes. Income generated by physicians and other medical professionals outside of their work within capitated healthcare centers shall also be tax exempt.
- 2.15 Nurses who work in capitated healthcare centers shall pay no state income taxes.
- 2.16 All medical professionals who work in capacities that bring them into direct contact with patients in a professional capacity in capitated healthcare centers shall pay no state income taxes.

**SECTION 3. Uninsured Healthcare Coverage:** U.S. Citizen California residents may register with one doctor in each area of medicine to receive unlimited free quality healthcare for all healthcare needs related to the registered area of medicine.

- 3.1 Uninsured patients shall retain all the rights of insured and paying patients.

- 3.2 Uninsured patients must provide proof of U.S. citizenship and California residency whenever they present themselves for treatment.
- 3.3 Uninsured patients who are U.S. citizen California residents may petition the state to be included on the list of approved uninsured U.S. citizen California residents if they are not found to be included.
- 3.4 The state must respond to all valid requests to be included in the list within two weeks of receiving the request.
- 3.5 All employers must respond to state inquiries regarding employee's healthcare insurance status within one week of receiving a verified request from the state.
- 3.6 All businesses, corporations, unions, organizations or associations providing healthcare coverage for their employees shall report annually and status changes as they occur in the nature of the coverage provided for all new employees, current employees and retirees. When an employee's status changes and the employer nor an associated COBRA no longer covers the employee the employer must inform the state that the employee is no longer covered.
- 3.7 All privately owned (non-government) insurance companies operating in California and extending medical coverage to Californians shall report annually and status changes as they occur in the nature of the coverage provided.
- 3.8 All departments of the state and local governments in California providing healthcare coverage for their employees shall report annually and status changes as they occur in the nature of the coverage provided.
- 3.9 The state shall maintain a single database of all insured and uninsured California resident U.S. citizens to support the states ability to determine which citizens are uninsured and qualify for free healthcare under this article.

**SECTION 4. Healthcare Cost Reduction:** Capitated Healthcare centers providing discount healthcare coverage to businesses and free medical services to uninsured Californians to help reduce the cost to the state of providing healthcare services to the uninsured shall be exempt from state income taxes.

- 4.1 California resident U.S. citizen patients currently covered by Medi-Cal shall qualify as uninsured patients and may be used to qualify medical professionals and centers for tax-exempt status provided that registered healthcare providers provide the Medi-Cal patients free medical services on demand.
- 4.2 Small businesses and Corporations may pool employees into coverage packages in order to receive discount rates from healthcare providers.
- 4.3 The state shall have the power to assign up to ten additional uninsured high risk patients and patients with pre-existing or catastrophic conditions to registering doctors, capitated Medical Centers and other healthcare providers providing free healthcare or medical services for free to qualify for tax exempt status in accordance with this article.

- 4.4 Federal Medicaid funds and other federal funds appropriated for medical expenditures in the state of California may be used to pay doctors, capitated Medical Centers and healthcare providers for care and services provided to patients with pre-existing, chronic or catastrophic conditions.
- 4.5 The state may not use any state funds to pay for healthcare costs associated with medical services provided to patients who are not California resident U.S. citizens.