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Summary

SB 810 will institute a single-payer health care insurance system funded by a means-based premium. This premium will depend on one's residency rather than his/her employment or income. The bill would establish the California Healthcare System, which would negotiate or set fees for health care services through the system and pay claims for those services. SB 810 would also deem residents at or below 200 % of the Federal Poverty Level (FPL) eligible for the same benefits offered under the Medi-Cal program.

Background

In 2005, the Governor vetoed two bills related to health care, one which would have extended coverage to all California children and another bill (AB 772) markedly similar to the currently-proposed SB 810. In 2004, California voters rejected Proposition 72, which would have provided health care coverage to workers who didn't receive employment-based coverage.

A bill to establish universal healthcare through publicly financed administration was authored by former State Senator Sheila Kuehl as Senate Bill (SB) 840. This was the first single payer bill that a state legislature ever sent to a governor in our nation's history. In fact, SB 840 was passed by the California Senate and Assembly twice, in 2006 and in 2008. However, Governor Arnold Schwarzenegger vetoed the bill both times.

Senator Kuehl was termed out in 2008. In 2009, Senator Mark Leno introduced the same bill, which was re-numbered as SB 810.

SB 810 would be entirely financed by the federal, state, and county money already being spent on health care by affordable insurance premiums. The bill would no longer require the premiums, deductibles, out-of-pocket payments and co-pays now assessed to employers and consumers. The newly-created California Healthcare Agency would be controlled by a Governor-appointed Healthcare Commissioner, who would be required to seek all necessary legislation to allow existing federal, state, and local health care payments to be paid to the California Healthcare System.

SB 810 aims to provide sound and affordable health care for all California residents, giving them the right to choose their own physicians and emphasizing both preventative and primary care. Supporters emphasize that the bill would allow the state to use its purchasing power to negotiate discounts for prescription drugs. Opponents say that the bill would discourage growth through reduced competition between private companies. They also note that administrative costs will not simply disappear under a single-payer system.

Status

Senator Leno's bill cleared the Senate on January 28, 2010 and waits to be either signed or vetoed by Governor Schwarzenegger.

Proponents

American Nurses Association California, California Alliance for Retired Americans, California Labor Federation, Consumer Federation of California, Health Access California, League of Women Voters- California, Los Angeles Free Clinic, Mexican American Legal Defense and Education Fund

Opponents

America's Health Insurance Plans, Blue Cross of California, Blue Shield of California, California Association of Health Plans, California Chamber of Commerce, California Medical Association, Health Net, Kaiser Permanente

Additional Resources

Office of State Senator Mark Leno

Office of California Legislative Information Website