

Thursday, January 17th, 2008

Dear Senator Kuehl, and all legislators who support SB840:

Re: Single-Payer Supporters for Strategic Steps, for AB x1 1

We, the undersigned, write to you as strong supporters of universal health care. We also have a long history of advocacy for single-payer policy proposals. Many of us have been involved in the fight for single-payer health care for as long as two decades. Many of us were active in working for Prop 186 back in 1994, and many of us worked hard over the last few years in support of SB921, and to get SB840 on the Governor's desk in 2006.

As strong supporters of a truly universal health care system, we write to urge you to support AB x1 1 (Nunez), as a significant strategic step toward our shared goal. We strongly believe that health reform need not be an “either/or” situation, and that supporting this reform in front of us is consistent with being whole-hearted supporters of SB840 and single-payer.

We believe that AB x1 1 not only will do no harm — your appropriate minimum test for health legislation — but that AB x1 1 will also do a great deal of good and benefit millions of Californians.

Moreover, we believe that passage and enactment of AB x1 1 will be a strategic advance for the cause of single-payer because it will establish public programs that are the foundation of universal coverage, including a single-payer system.

AB x1 1 embodies policy elements of single-payer. Passage of this law would make it easier to enact truly universal coverage and to pass a single-payer system in the future, since it already includes:

- a major expansion of public program coverage to moderate-income Californians as well as low-income residents, setting the stage for truly universal coverage reforms, including single-payer,
- the setting of a minimum employer contribution to health care, which is essential to funding universal coverage and an important part of the financing for SB840,
- the creation of a statewide purchasing pool that could be the beginnings of the huge purchasing pool that could grow into a single universal system,
- an increase in Medi-Cal rates, helping providers realize that rates could be reasonable under a public program such as a single-payer system.

It also includes additional oversight over insurers. While some have criticized the notion of preserving the role of insurers, the proposal would significantly change the way insurers do business, including having to take all customers on a “guaranteed issue” basis, and having to negotiate with a large purchasing pool to access millions of California customers. The proposal creates a framework where insurers will either have to change their behavior, or face future reforms that impose further oversight on insurers or replace their function.

Like the proposals of the Democratic presidential candidates, AB x 1 1 does not undertake the massive transformation of the health care system that you propose and that we support. But it accomplishes important elements while providing security to those who have good coverage and want to keep it, while creating the framework to take extra steps. Just as passage of family leave legislation created a framework to come back and pass paid family leave, we believe this proposal creates political and policy tools to advance broader reforms.

Some fear that passage of any plan would stall the coming of SB840, as politicians declare their job done. We believe that the opposite is true. Failure begets failure, and if health reform is stalled now, political leaders may be discouraged from supporting any reforms of our health system (and certainly more far-reaching proposals like single-payer). They will likely move on to other issues.

On the other hand, success begets success: Passage and enactment of such a proposal would create a positive environment around health care reform, as politicians will continually seek to raise the bar above the last reform. The people of California are not satisfied with the health care system as it is, and they will want to see it change further to become a health care system worthy of our country and our state. After major reforms in areas like education and global warming, nobody thinks those issues are “done”; instead the interest in pursuing additional reform has stayed strong, and we believe that this will be the same for health care.

The comparison of AB x1 1 should not be with SB840, which we agree is a “gold standard,” but with the status quo in health care, where millions are uninsured, people are denied coverage because of “pre-existing conditions,” low- and moderate-income families face unlimited premiums and unlimited liability, and the situation is only getting worse. Does AB x1 1 provide all the protections we want to see in our health care system? No, but it provides protections that currently do not exist at all:

- it dramatically expands and assures coverage to increasingly desperate families and individuals,
- it offers protection against the unaffordability of health insurance premiums, especially for low- and moderate-income families;
- it establishes strong oversight of insurers, and
- it strengthens health care access of insured and uninsured Californians alike by more adequately funding health care providers, especially hospitals and doctors, whose current underpayment threatens their ability to provide emergency services for anyone and their willingness to serve low-income patients.

Under AB x1 1, there are millions of people, especially at the lower end of the income scale but also those with moderate incomes, that would get substantial help in getting the care and coverage they need. We have an obligation to meet their pressing needs. Asking them to wait is asking them to go without the access to care that those of us with insurance have. In addition, the more we can reduce the number of uninsured, the shorter the gap we have to bridge to get to universal coverage and a single-payer system. ABx 1 1 provides a solid foundation on which we can and will continue to advance additional health care reforms.

We will continue to be very active in support of truly universal coverage, but we urge you to consider this as a strategic step needed to win ultimate victory.

Thank you for your consideration.

Sincerely,

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