

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: April 9, 2021

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No: 21-0002-S83
Assignment No: 21-04-0284

SUBJECT: Resolution to support AB 1400

CLA RECOMMENDATION: Adopt Resolution (Bonin – Raman) to include in the City’s 2021-2022 State Legislative Program SUPPORT for AB 1400 (Kalra), which would create the California Guaranteed Health Care for All program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state.

SUMMARY

The Resolution (Bonin – Raman), introduced on March 24, 2021, notes that despite gains made with the Affordable Care Act, 2.7 million Californians remain uninsured while another 12 million, comprising one-third of Californians with medical insurance, cannot afford their insurance co-pays or deductibles so are underinsured, and 5.2 million Californians lack dental insurance.

AB 1400 (Kalra), known as CalCare, would provide every California resident freedom in their choice of providers and guarantee health care for free at the point of service for all necessary medical care including prescription drugs; hospital, surgical, and outpatient services; primary and preventive care; emergency services; reproductive care; hearing, dental and vision care; and long-term care. The Resolution therefore requests that the City support AB 1400.

BACKGROUND

Existing federal law, the federal Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. PPACA defines a “qualified health plan” as a plan that, among other requirements, provides an essential health benefits package. Existing state law creates the California Health Benefit Exchange, also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA.

AB 1400 (Kalra), the California Guaranteed Health Care for All Act, introduced on February 19, 2021, would create the California Guaranteed Health Care for All program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. CalCare would incorporate the health care benefits and standards of already-existing state and federal programs, including the federal Children’s Health

Insurance Program, Medi-Cal, ancillary health care or social services covered by regional centers for persons with developmental disabilities, Knox-Keene, and the federal Medicare program.

AB 1400 is sponsored by the California Nurses Association, which has stated that the COVID-19 pandemic underscored the need for a single-payer health care program that would provide equitable access to health care to all Californians. Single-payer healthcare is supported by a significant portion of public: 57 percent of percent of all Californians supported replacing private insurance with guaranteed coverage provided by the government. Two-thirds of bankruptcies in the United States are due to medical debt, an enormous figure that is in danger of growing due to the significant unemployment caused by the COVID-19 pandemic. High health care costs prevent many Americans from seeking treatment or otherwise acting in the interest of their own health.

CalCare would ensure that all Californians, regardless of employment, income, immigration status, race, gender, or any other considerations, can get the health care they need, free at the point of service. CalCare also includes long-term services and supports for people with disabilities and the elderly, a health care cost control system, and ways to address health care disparities.

BILL STATUS

02/19/21 Introduced.



Tristan Noack
Analyst

SMT:tcjn
Attachment: Resolution

RESOLUTION

WHEREAS, any official position of the City of Los Angeles, with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, AB 1400 (Kalra), introduced on February 19, 2021, would establish a single payer health care system called the California Guaranteed Health Care for All program (CalCare) to cover all Californians; and

WHEREAS, despite gains made with the Affordable Care Act, 2.7 million Californians remain uninsured while another 12 million, comprising one-third of Californians with medical insurance, cannot afford their insurance co-pays or deductibles so are underinsured, and 5.2 million Californians lack dental insurance; and

WHEREAS, the COVID pandemic has exposed the instability and unsustainability of the current profit driven health system, with historic unemployment forcing many Californians to lose their employer sponsored health insurance at the same time hospitals have laid off thousands of doctors and nurses; and

WHEREAS, even after COVID, inadequate access to health care will increase preventable disease, erode trust in the medical establishment, and magnify trauma and mortality in the event of another public health crisis; and

WHEREAS, AB 1400 (CalCare) would enshrine health care as a human right by guaranteeing comprehensive, lifetime, high-quality care to all California residents, and establish a health care cost control system; and

WHEREAS, CalCare would provide every California resident freedom in their choice of providers and guarantee health care free at the point of service for all necessary medical care including prescription drugs; hospital, surgical, and outpatient services; primary and preventive care; emergency services; reproductive care; hearing, dental and vision care; and long-term care; and

WHEREAS, CalCare would save millions in taxpayer dollars now spent on premiums and administrative bureaucracy that provide often inadequate coverage for government employees, and would ease the burden on municipal resources for handling the emergency needs of uninsured residents; and

WHEREAS, federal policy empowers states, as laboratories of democracy, to use Affordable Care Act innovation waivers to develop locally tailored approaches to health coverage, including by removing barriers to states that seek to implement universal single-payer approaches;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2021-2022 State Legislative Program SUPPORT for AB 1400 (Kalra), which would create the California

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Guaranteed Health Care for All program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state.

PRESENTED BY:



MIKE BONIN
Councilmember, 11th District

SECONDED BY:

