

SB-562 The Healthy California Act. (2017-2018)

Introduced by Senators Lara and Atkins

(Coauthors: Senators Allen, Galgiani, McGuire, and Skinner)

(Coauthors: Assembly Members Bonta, Chiu, Friedman, Nazarian, and Thurmond)

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PASSED AND SUBMITTED TO ASSEMBLY JUNE 01, 2017

I. SB-562 Summary 07.17.2017

- A. Senate bill does not address availability and affordability of health care itself (IV-D)
- B. creates a new universal single-payer health care program for all residents of CA (IV-E)
- C. creates a health care cost control system (IV-E)
- D. obtains waivers to move current federal funding (medicaid/medicare) into a block grant trust fund (IV-E)
- E. creates the Healthy California Trust Fund from Federal and State money sources (IV-E)
- F. oversees program standards (IV-F)
- G. develops a revenue plan (IV-F)
- H. creates the Healthy California Board to govern CA Single payer (CA-SP), made up of 9 members (IV-G)
- I. establishes a public advisory committee to the board in the CA Department of HHS] (IV-G)
- J. Multi-specialty groups traditionally have had conflicts between Medical and Surgical Service compensation because of collection discrepancies (IV-H)
- K. limits public access to certain proceeding and records if granted (IV-I)  
Consider: no FIA?
- L. (Section1a)  
Health Care is a Personal Right  
Health Care costs are still rising  
CA State has a Fiscal Crisis]  
Creates a CA State Medicare for All program  
Consider: RIGHT (someone provide for me) vs PRIVILEGE (I can provide for myself) vs NEED (imperative)
- M. (Section1b)  
Universal health coverage for every Californian  
Charges based on ability to pay  
Funded by broad based revenue  
Eliminates insurance premiums  
Single payer insurance program  
Requires reliance on continuation of federal money sources  
Unifies Health programs and pools all funds into one
- N. (Section1-d)  
Does not establish licensure standards
- O. (Section-1e)  
Physicians and Nurses can override technology and guidelines
- P. (Section-1d)  
Intent to address high cost of prescription drug
- Q. (Section2-Chapter1)  
All residents will have basic coverage ie., regardless of immigration status  
Residents can option additional services
- R. (Section2-Chapter2-1)  
Creates a Health Public Utility  
Creates an Executive Board of 9 members that are political appointees  
-4 Appointees by the Governor  
-3 Appointees by the CA Senate Committee on Rules  
-2 Appointees by the CA Speaker of the Assembly  
-At least 1 RN labor representative

- At least 1 labor representative
- At least 1 medical provider community representative
- At least 1 general public representative
- Board members have no administrative or financial ties to health care
- Board members can not be sued, =what about doctors and nurses?
- Board may negotiate contracts and rates in secret
- Establishes a public advisory committee to advise the board (more layers between money and patient)
- Board members cannot work for a health board, facility, clinic, trade association or have ownership interest in a practice
- S. (Section2-Chapter2-2)
  - Establishes a public advisory committee to advise the board (more layers between money and patient)
- T. (Section2-Chapter3)
  - Consider: Single-payer Health Care more properly termed Single-payer Health Insurance = Source of Funding Federal versus State Control of Costs
  - Consider: Conflates many parts as Care.
    - Health Payment (where does money come from - Funding)
    - Health Insurance (how payments are distributed)
    - Health Billing
    - Health Services (patient experiences and treatments)
  - Retirees can join CA Single-Payer System but not required (>65)
  - Provides funds to planning (Administrator) agencies out of the trust fund
  - Job retraining for laid off health administrative and clerical workers
  - Consider: Displaced Doctors, Nurses, Midlevels, Academics, Clinicians?
- U. Every resident of the state shall be eligible and entitled to enroll
  - Members not required to pay premium, copayment, coinsurance, deductible, or any other cost sharing
- V. Member may choose any participating provider who will be paid from the trust fund
- W. Referral is not required to see an eligible provider
- X. Consider: Gatekeeper issue, must enroll with Primary Coordinator vs CA SinglePayer Program?
- Y. All payments are fee-for-service
  - Current Insurance & ACO is a mixture (Capitation, PPO, fee-for-service...)
  - Capitated vs NonCapitated system operating budget?
  - Rates negotiated with health care providers' representatives not providers themselves?
  - Payment Rates determined for everyone by the Board as in Medicare?
  - Federal money for education is a current primary source of extra funds to Hospitals
- Z. Member may receive care services from a non-profit health care organization
  - What about For-profit HMO's?
- AA. Chapter 5 Section g.
  - Physicians and registered nurses may override health information technology within Health Care Organizations
  - Effectively equates Nursing and Physician practitioners interchangeably within Health Care Organizations
  - Private Practice Physicians?
- AB. Chapter 6
  - Healthy California shall establish a single standard
  - contradictory to g above?
  - Private Practice Physicians?
- AC. CA State required to fund Medicare Part B and D
  - Plan absorbs Medicare Part A, B, D
- AD. Fund reserve in addition to Medicare/Medicaid and ACO
  - interest earned on the moneys shall be retained in the fund and used for purposes consistent with the fund.
  - Compare this to current Medicare Trust Fund
  - Moves Federal Medicare program to the CA State via established Health Care Medicare for All Program Board
- AE. CA State must raise taxes to cover the cost
  - What is net costs to individuals for payments to all sources including Employer-based Health Insurance and Individual Private Health Insurance

AF. Continues gag prohibitions on practices outside of large organizations  
Eliminates Private Medical Practice?