

Introduced by Senator Alquist

January 20, 2009

An act relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 56, as introduced, Alquist. Health care.

Existing law does not provide a system of universal health care coverage for California residents. Existing law provides for the creation of various programs to provide health care services to persons who have limited incomes and meet various eligibility requirements. These programs include the Healthy Families Program administered by the Managed Risk Medical Insurance Board and the Medi-Cal program administered by counties and the State Department of Health Care Services. Existing law provides for the regulation of health care service plans by the Department of Managed Health Care and health insurers by the Department of Insurance.

This bill would make legislative findings and declarations regarding health care coverage and would declare the intent of the Legislature to enact and implement comprehensive reforms in the state's health care delivery system, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares as follows:
- 2 (1) Due to the economic downturn, hundreds of thousands of
- 3 Californians are joining the ranks of the uninsured or are looking
- 4 to publicly financed programs for their health care coverage.

1 (2) Compared to persons with health care coverage, the
2 uninsured are less likely to have a regular source of care, are likely
3 to delay seeing a doctor, and are less likely to receive preventive
4 health care services.

5 (3) Based on recent data collected by the Kaiser Family
6 Foundation, health care costs continue to rise at a faster rate than
7 general inflation and average wage growth.

8 (4) President Obama has pledged to seek the adoption of major
9 health care reforms at the national level, which are likely to include,
10 at a minimum, additional funding for states as well as increased
11 flexibility for states in how they administer their health care
12 systems.

13 (b) In light of these findings, it is the intent of the Legislature
14 to enact and implement comprehensive reforms in the state's health
15 care delivery system by 2012 that will accomplish all of the
16 following:

17 (1) Ensure that all Californians have access to affordable, high
18 quality health care coverage.

19 (2) Ensure that the responsibility for providing and paying for
20 health care coverage is equitably shared between employers,
21 individuals, and government.

22 (3) Help contain the long-range rate of growth of health care
23 costs.

24 (4) Reform insurance underwriting and rating practices by
25 reducing the use of medical status or conditions as criteria for the
26 offering or rating of individual insurance products.

27 (5) Improve the health status of Californians and reduce health
28 disparities over time.

29 (6) Ensure fair and adequate payments to health care providers
30 who provide services under the state's publicly funded health care
31 programs.

32 (c) It is further the intent of the Legislature to enact specific
33 reforms by 2010 that will help provide a foundation for any
34 successful health care reform in California, and that will
35 accomplish all of the following:

36 (1) Ensure that all children in the state have access to affordable,
37 high quality health care coverage.

38 (2) Encourage greater use of electronic medical records and
39 other health information technology by health care providers.

- 1 (3) Make comparative health care cost and quality data more
2 readily available to consumers and purchasers.
- 3 (4) Make it easier for individuals and small employers to shop
4 for and compare the benefits and costs of competing health plans.
- 5 (5) Allow all workers to set aside money to pay for health care
6 coverage on a pretax basis.
- 7 (6) Begin to draw down federal funds that are available for
8 covering low-income adults and families.
- 9 (7) Reduce the use of medical underwriting in the individual
10 health insurance market, cap health care service plans' and insurers'
11 administrative costs and profits, and establish minimum benefit
12 standards for health plans offered in the state.
- 13 (8) Allow health plans and employers to offer incentives for
14 enrollees to enroll in and use preventive health care programs that
15 will improve their health.
- 16 (9) Address health care workforce shortages and better prepare
17 persons for careers in the health care delivery system.
- 18 (10) Facilitate the formation of public insurer entities, including
19 through better integration of county local initiatives and organized
20 health systems.