

# PRESS RELEASE



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**\$400 Billion Single-Payer Health Care Bill Passes Senate**

*Unrealistically costly government-run health care system would raise taxes by \$106 to \$200 billion and cause massive disruptions in health care for 90 percent of Californians*

**Sacramento, CA** – The California State Senate today approved SB 562 (Lara) SB 562, which was passed without a funding plan, and would establish a government-run, single-payer health care system in California that will cost hundreds of billions of dollars.

“California should not abandon all the progress we have made in health care by blowing up our current system and creating single-payer,” said Charles Bacchi, President and CEO of the California Association of Health Plans. “SB 562 would cause dangerous disruptions in health care coverage and quality of care for the millions of Californians who already have health coverage.

“Every analysis, even by the proponents, has shown that a government-run single payer system is too costly to implement. The tax increases required to fund this program are massive and there is no assurance the federal government would approve the waivers necessary to enact this bill.”

Recent fiscal analyses by the California State Senate’s Appropriations Committee and the proponent-funded University of Massachusetts-Amherst, both reveal the bill’s enormous \$400 billion cost and acknowledge that major tax increases of between \$106 to \$200 billion would be required to fund government-run healthcare for all Californians. Both analyses also concede that they rely on the shaky assumption that California will continue to receive the same level of waivers from the federal government. And both analyses admit that SB 562 would cause overutilization of health care services and slash payments to doctors and hospitals.

Past attempts to pass a single-payer health plan in California and other states such as Vermont and Colorado have failed because of the enormous cost and the disruption to health care coverage it would cause. SB 562 carries the same challenges and is simply unaffordable and unworkable in California.

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*CAHP is a statewide association representing 48 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 28 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910.*