

SINGLE PAYER

Single-Payer In California Is Not The Answer

Lawmakers recently introduced a bill to establish a government-run, single-payer health care system in California.

The bill, SB 562, would call for a universal single-payer health care coverage program and a health care cost control system.

CALIFORNIA
TOO EXPENSIVE

\$46 Billion Shortage



MAJOR TAX HIKES

SINGLE-PAYER

FISCAL SHORTFALLS

VERMONT

ESTIMATES

\$5.17 Billion

COLORADO
VOTER DEFEATED BY

78%

But past experiences in California and other states have shown that single-payer is not only unworkable but also detrimental. Here's why:

MASSIVE DISRUPTIONS

90%

of Californians are currently insured and would face huge disruptions.

56%

of Californians receive employer-sponsored coverage and would experience incredible disruption like losing doctors and enduring more restricted access.

RESTRICTS ACCESS



LONGER Waits



LIMITED Specialists

PROHIBITIVELY EXPENSIVE

California LAO Found
\$46 Billion Shortfall

The Legislative Analyst's Office review of previous proposals revealed a shortfall of \$42 billion in the first full year of operations (2011) and a \$46 billion shortfall after five years.

THREATENS QUALITY-OF-CARE

Health plans and providers currently work in tandem to improve care.



Government-run care LEADS TO:

- ▶ **Massive Disruptions**
- ▶ **Limited Providers**
- ▶ **Longer Waits**

This change could result in interrupted treatments and diminished overall health care quality.

For more information, please go to www.calhealthplans.org

California
Association of
Health Plans

April 2017

SINGLE-PAYER FAILS IN VERMONT

In deciding to shelve a single-payer plan in 2014, former Vermont Gov. Shumlin stated that the costs of his proposed reform would be too great:

“The taxes required to replace health care premiums with a publicly financed plan that would best serve Vermont are, in a word, enormous.”

A report by the Vermont Governor’s office in 2014 found:

“We estimate that the total cost of the single-payer plan would be **\$4.34 billion** in 2017, with another **\$187 million** paid out-of-pocket.”

\$5.17 Billion

Total cost of the program in 2021

Impact on Employers:

“Overall, as modeled, Vermont’s single-payer program would increase Vermont employers’ health care spending by \$109 million.

The economic shock and transition issues were too great for us to recommend that Vermont proceed with public financing.”

SINGLE-PAYER FAILS IN CALIFORNIA

Efforts to enact government-run health care in California have failed and officials have found it to be prohibitively expensive. Analyses found the chronically underfunded system would require:

\$138 Billion in New Taxes:

- ▶ **Employers:** \$70 billion
- ▶ **Employees:** \$35 billion
- ▶ **Self-employed:** \$9 billion

\$205.9 Billion TAX INCREASE IN 2015-16

California Dept. of Finance opposed single-payer, saying it would:

“Make sweeping changes to California’s health care system without fully forecasting the practical and fiscal implications of the measure. The proposed savings from having a single-payer system may not materialize and such dramatic changes likely would create unintended consequences.”

SINGLE-PAYER FAILS IN COLORADO



21% YES vs. 78% NO

Colorado Voters Overwhelmingly Reject 2016 Single-Payer Proposal

The Non-Partisan Colorado Health Institute Found Severe Flaws & High Costs:

- ▶ System would create a **\$253 million deficit** in its first year, and an **\$8 billion deficit** going forward.
- ▶ **Require a 10 percent tax** on payroll and other income.
- ▶ **\$25 billion in new taxes** in 2019, the proposed first year of the program.

Health plans are focused on protecting and enhancing the coverage gains we have made under the Affordable Care Act, and our collective energy should be dedicated to ensuring critical federal funding for our current health care system is maintained and the marketplace is stable.

This prohibitively expensive government-run health care proposal would restrict access and threaten quality of care, while failing to address the biggest problem facing our health care system: affordability. Efforts to enact single-payer have failed time and again. California has made substantial progress in expanding and increasing access to quality health care - this step backwards would be particularly devastating for the state.