

Podcast Transcript

Single-Payer Setback, Defeat or Fail? AB 1400's Day in the Sun

Featuring Michael Lighty

Dispatcher: 911, what's your emergency?

Caller: (ambulance siren) America's healthcare system is broken and people are dying!

Welcome to **Code WACK!**, where we shine a light on our callous healthcare system, how it hurts us and what we can do about it. I'm your host **Brenda Gazzar.** This time on **Code WACK!** What happened to California's single-payer bill, AB 1400? And where does the single-payer movement go from here? We recently spoke to Michael Lighty, president of the Healthy California Now coalition and former healthcare constituency director for Bernie 2020.

Welcome back to Code WACK!, Michael.

(<u>00:37</u>):

Lighty: Thank you so much, Brenda. Great to be here again.

(<u>00:40</u>):

Q: Seems we're hearing a lot from you these days, with good reason. California's single-payer bill AB 1400, or CalCare, recently passed two key policy committees in the Assembly, but was pulled by the principal author, Assemblyman Ash Kalra before the full Assembly could vote on it. What does this mean for the bill?

(<u>00:57</u>):

Lighty: Yeah, so on January 31st, it looked like we were heading to a floor vote on the California Assembly for AB 1400, but the author made an assessment, which is tough to do at the last minute, that it was not going to have the 41 votes it needed to pass. And as a result, you're either looking at a defeat and locking certain members of the Assembly into a "no position" or you're going to withdraw it – live to fight another day essentially. Of course, on the one hand that deprives people of going on record, on the other hand, it does keep open the possibility that those who had not yet been convinced will be convinced in the future.

So the authors make these kinds of determinations all the time and sometimes it doesn't go the way that, you know, the grassroots want it to. On the other hand, we've got to look at the long term and the long term says we're going to need 41 votes in the Assembly and if we didn't have them this time, what is it going to take to get them in the future?

(<u>01:56</u>):

Q: Hmmm. Do we have any idea how many votes we had approximately?

(<u>02:00</u>):

Lighty: Well, we heard from Assemblymember Kalra after the vote that they were looking at possibly a double-digit loss, which suggests that they had at least 10 less than the 41 they needed. We don't know for sure. I think it's important, Brenda, that we understand what this bill did and this bill essentially set up a process, established an appointed board that would conduct a fiscal analysis, (it) would be part of the effort to secure federal support through what's called the waiver process and then make a report to the legislature, to its key committees,

Assembly Health and Appropriations, Senate Health and Appropriations. That report would then be reviewed by those committees and sent to the Assembly and the Senate for a vote and depending on how those votes went, it would then be sent to the voters to approve the financing plan. So this bill AB 1400 had essentially set up a process, the intent to do a program. It wasn't going to enact CalCare. That was going to require a subsequent vote of the Legislature by July 1st, 2024 and a vote of the people on the ballot.

(<u>03:15</u>):

Q: Um, hmm. Thank you. So you mentioned why you thought Assemblyman Kalra pulled the bill rather than have his colleagues vote on it. Were there any Assembly members that came out in support of the bill in recent weeks that surprised you?

(<u>03:28</u>):

Lighty: Well, certainly the support of the Assembly Health Committee Chair Jim Wood was the most significant, I think, endorsement of the bill and vote for support. I think it's interesting (that) the speaker of the Assembly (Anthony Rendon) went on record for the first time after the vote was pulled and didn't happen. He said that he would've voted for it. So you get the speaker and you get the committee of jurisdiction – in this case Health – on board that shows, I think real progress and a sign that this is a viable reform if we can get to that 41 votes and address the concerns that obviously some members who probably would vote for it, if those concerns were addressed.

(<u>04:15</u>):

Q: Right, right. Great. So we're making slow but steady progress in the movement it sounds like.

(<u>04:20</u>):

Lighty: We are, and the Assembly's tough, (there are) a lot of what are called moderates, but essentially pro-corporate Democrats in that body. Obviously when you're dealing with 80 total members and 60 Democrats, when you're short three Democrats because they've left the Assembly and those were votes for the bill,

your margin of error goes down and still, there are a lot of Democrats there and so it does call to question about how it doesn't just mean a D by your name, but are you committed to these kinds of reforms that are going to help working people? And so there also, I think, has to be an electoral consideration of the kinds of people we're electing to the Assembly and are they going to be with us on this issue.

(<u>05:01</u>):

Q: Hmmm, good point. So does the setback signal an end to efforts to win health care equity in the state?

(<u>05:09</u>):

Lighty: No. By no means. How can we, I mean, COVID has exposed the profound inequities and disparities of the present system. Every meeting of the Healthy California for All Commission, which has been meeting consistently for the last year and a half, has shown the fragmented, costly, wasteful system leaves huge gaps even when people have insurance, they don't get the care they need and deserve. These gaps are race-based. These gaps disproportionately affect women. These gaps reflect a service deficit in communities of color. So the present system cannot address these disparities, cannot solve the inequities so we're going to have to go to comprehensive reform and I think if the Healthy California for All Commission report comes out in April and takes seriously the analysis that's been given in terms of the unsustainability and inequity of the present system, we're going to see some of the essential steps we need to take next to get to single payer.

(<u>06:10</u>):

Q: Wonderful. What are those steps? The essential steps to get to single payer?

(<u>06:13</u>):

Lighty: Well, obviously we have to secure federal support and resources through what's called the waiver process so we need some way to initiate that process and we got to hold the governor to his promise to do single payer. Universal

access is not the same as guaranteed health care. Coverage isn't care. Ask anyone who has insurance – look at the recent Gallup poll.. Thirty percent of people, mostly with insurance, didn't get some form of health care that they needed last year. So these gaps aren't going away just because you provide people insurance. So that's number one. Get the federal support and make sure then that you can get the financing from them to know what we have to raise in California. Secondly, Health for All is a start. It's not the same thing, obviously as single payer, but covering undocumented folks is a huge start, hugely significant. It's the right policy. It's right morally.

(<u>07:11</u>):

And it will obviously improve people's lives. And to some extent, improve their access to health care. We've got to unwind the privatization of Medi-Cal, that is a public program that has been a trough for private profit making. We're going to shift to a nonprofit public system. That's a step we can take now to pave the way for Medi-Cal to serve its beneficiaries better. We've talked about the need for cost control mechanisms, rate setting, a statewide healthcare budget. Those can be done now, this year and that can be essential infrastructure for a single-payer system. It's necessary now. It can be essential for single payer and finally, there's been on the table an idea for a pharmaceutical drug purchasing program. That would be a kind of single payer for prescription drugs. Let's revive that, let's get that in place. So you can see these essential building blocks, cost control, universality mechanisms, like prescription drug purchasing, that model single payer. And of course, most importantly, securing the federal waiver. These are steps we have to take and can lay the foundation for single payer.

(<u>08:23</u>):

Q: So what does this setback mean for the California single-payer movement and the Healthy California Now coalition that you head?

(<u>08:30</u>):

Lighty: Well, it redirects our efforts back to securing real engagement and leadership from Gov. Newsom. It makes it essential that we build upon the Healthy California for All Commission and move that clearly in the direction of a path towards single payer. It means that we've got to build - as Assemblymember Kalra said, after the vote - he didn't have the sufficient organizational support to move the bill. So you got to get, and we've said this all along, you've got to get the organizations who are electing our representatives, right, who volunteer in their campaigns, who fund their campaigns, these organizations got to say single payer, Medicare-style reform is a priority. And that's why Healthy California Now is focused on building organizational support and capacity, addressing the concerns they may have about "what's this going to cost union members. How is it going to impact and improve their ability to get the care they need and deserve? How is it going to address the disparities in frontline communities?" Getting those frontline communities of color involved and organizations dedicated to healthcare resources in those communities, get them pushing for this reform, get unions pushing for this reform. That's how legislation moves in Sacramento and we have to build that organizational base in addition to the extraordinary grassroots work that was done in support of AB 1400.

(<u>09:58</u>):

Q: Hmmm, great. So was there anything more you wanted to say about where the single-payer movement goes from here?

(<u>10:03</u>):

Lighty: I think the single-payer movement faces the same issues that we've faced for a while and that is, how do we translate the popular support, the overwhelming policy case and the clear savings to individuals and businesses that single payer represents into a political movement that can actually create change and win a majority of votes at the ballot? That remains our challenge. Nothing's changed and we have some steps we can take this year toward those goals.

(<u>10:36</u>):

Q: What else do you want us to know, Michael?

(<u>10:38</u>):

Lighty: I think it's not a time for animosity. I don't think it's a time to disparage motives. I think it's a time to understand that there are no shortcuts, that this is

going to take real organizing, movement building and some say, "well, let's just go put it on the ballot."

Well, if you put it on the ballot in California, if you haven't built the organizational support, the infrastructure and have a big pool of money – I suggest about \$50 million dollars at least – you're going to get overwhelmed by another industry campaign that's going to spend \$200 million and you're going to end up with 25% of the vote again. That is a setback. That's not a strategy to win. So there's no substitute for the hard work of organizing, building upon the base, the infrastructure, the popular support, the activist engagement that we saw over the last year and a half, and melding that with the kind of organizational outreach and capacity building that's essential. And we don't care if these politicians want to do it or not. We've got to make it politically necessary for them to do it, an imperative. We're not relying upon them to do it. We're saying you got to do it regardless of what you may want or what your donors may want, and if you can't overcome that, then ultimately there are going to have to be electoral consequences.

(<u>11:57</u>):

Q: Great. Wondering if you had any thoughts on the media coverage of AB 1400 now that it's no longer on the table?

(<u>12:07</u>):

Lighty: In general, despicable and craven, as usual, buying into industry lies, manipulated by false issues and also of course we, you know, there wasn't an appropriate context set for the financing proposal that was embodied in ACA 11, which was the financing mechanism for AB 1400. In other words, we've got these reports and analysis from the Healthy California for All Commission showing how costly, how burdensome on individuals and businesses the current system is. In fact, health care private taxes in the forms of premiums, deductibles and copays are the biggest burden on workers and the middle class in California. That's the context in which you propose tax financing for single payer. It saves individuals and businesses huge amounts of money and yet that all the media can report on is taxes. All these folks who have been writing, literally some of these columnists have been writing the same column in favor of the status quo for decades. It's

really quite extraordinary how easily manipulated the media debate is on this issue. Forget about guaranteeing health care, forget about the cost of the present system. Forget that the current system is going to cost \$517 billion dollars this year. "Oh no! Single payer is going to cost 400 billion." Hmm. Sounds like a deal to me, right?

(<u>13:33</u>):

Q: Right. Yeah. Do you think if there had been a study specifically on AB 1400, that that would've helped the case significantly for the bill?

(<u>13:44</u>):

Lighty: We have the policy and the financing arguments on our side. What we have to do is create a messaging environment when we put those ideas out there that is going to be more favorable to us. So in some ways, yes, a study that would do that. Now we had that study, the UC Berkeley Labor Center did a study for the Healthy California for All Commission and showed how much single payer would save. They did that. They did that back in the fall. Why didn't, you know, the authors and proponents of AB 1400 put that front and center when they introduced ACA 11? I don't know, but I think that was an opportunity missed.

It is true that more studies would help, but as the UCSF health economist study led by Jim Kahn showed in January of 2020, 20 out of 22 studies done at that point showed significant savings from single payer. The CBO Congressional Budget Office said it saved \$650 billion federally. The case is there. It's just how the tax issue gets manipulated by the interests protecting their profits in the healthcare industry and how susceptible the media is to conventional narrative – very lazy reporting. And then others who are just biased, you know, right, really kind of ill-informed columns that don't reflect the actual experience of workers and businesses in California with health care. You've got to wonder what world they live in. Probably, they're on Medicare.

(5-second stinger)

(<u>15:26</u>):

Thank you so much, Michael. Always good to have you.

(<u>15:29</u>):

Lighty: Oh my pleasure, Brenda, anytime you know.

(<u>15:32</u>):

Do you have a personal story you'd like to share about our 'wack' healthcare system? Contact us through our website at heal-ca.org.

Find more Code WACK! episodes on ProgressiveVoices.com and on Nurse Talk Media. You can also subscribe to Code WACK! wherever you find your podcasts. This podcast is powered by HEAL California, uplifting the voices of those fighting for healthcare reform around the country. I'm Brenda Gazzar.