



## Rethinking the path to winning single payer

*Dispatcher: 911, what's your emergency?*

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

Welcome to **Code WACK!**, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host, **Brenda Gazzar**.

(music)

This time on **Code WACK!** The movement to win Medicare for All may be slowed at the federal level, but it's a different story in the states. In 2021 alone, 18 single-payer bills were introduced in states, including Massachusetts, New York, Colorado, and Oregon. Yet as the most populous state in the nation, winning in California could be a game changer. What's the latest single-payer bill introduced in California and how is it different from previous bills? To find out, we spoke to **Michael Lighty**, president of the Healthy California Now Coalition, and former constituency director for Bernie 2020.

**Q: Michael, welcome back. It's been such a long time since we've had you on and you've been busy. Tell us what you've been up to.**

**Lighty:** Well, thanks Brenda. It's great to be here again. Well, you know, at Healthy California now, we've been developing a campaign ironically enough called Healthy California Now campaign, and the idea is to create a viable path towards single payer in California so that we can guarantee health care for all residents of the state that is better – better care, and lower cost. The idea is that if we take a set of steps to engage stakeholders – that is people with a real, you know, stake in

the system and bring them together to collaborate at the same time we would talk to the federal government about the kind of approvals that they will do, which are necessary to establish a guaranteed healthcare program in California, that those two tracks can come together and we can create recommendations to the legislature to then ultimately pass a full-scale single-payer bill.

This process is embodied in Senate Bill 770, introduced by state Sen. Scott Wiener from San Francisco, and the idea of the bill is essentially ... let's set up a process, support discussions with the Biden administration to get an understanding of what they would approve once California formally applies for that approval and to also bring in folks with a real stake in the system to collaborate and engage with each other to formulate support for those discussions and ultimately recommendations to the legislature on a full-scale (single payer) program.

***Q: Thank you. As you mentioned, you're working with Senator Scott Wiener on this single-payer bill. What's behind the choice to work with him? Does he have a special interest in this issue or is it mainly because he's on the Senate Health Committee?***

**Lighty:** Well, it is because he's on the Senate Health Committee. It's also true that he has a special interest in this issue. As you may know, San Francisco is certainly a place where, I don't know, 80% of the people in the city support Medicare for All style reform, and he, of course, was a co-author of Assembly Bill 1400 last session in the legislature.

***Right. The CalCare Bill would guarantee comprehensive high quality healthcare to all California residents.***

**Lighty:** So he's a longtime supporter of single payer. He is on the [Senate] Health committee and he has a reputation for getting legislation done.

***Q: Wonderful. Senate Bill 770 seems to build on the Healthy California for All Commission report. Even the campaign is named Healthy California for All Now. Can you give us a brief refresher about the commission and its conclusions?***

**Lighty:** Well, it is not a coincidence that these all have similar names because the Healthy California for All Commission came out of work that the Healthy California Coalition had done back in 2018, 2019. And so the Healthy California for All Now campaign essentially builds upon the recommendations of the

commission because, you know, you hear in the media, 'oh, advocates say you're going to save money to do single payer.' Well, in fact, it's the commission that says we're going to save money and we can save money through single payer at huge levels. In fact, you know, the comparison between a single-payer approach and doing nothing is 500 billion over 10 years, a half a trillion dollars over 10 years is the difference between doing nothing and adopting single payer. That's a huge amount of savings, but that's really secondary to the lives saved.

4,000 lives saved (a year), the ending of medical bankruptcy, the ending of medical debt, the ending of out-of-pocket, you know, co-payments, premiums, deductibles – gone, and the peace of mind that comes from that and the equity that comes from that. All of those things were part of the Healthy California for All Commission official report. So if you've got an official report of a pretty diverse group of folks saying, 'hey, this is a better system. We can save lives, we can save money,' then of course we want to build on that momentum.

And so Senate Bill 770 says, 'yeah, legislature, adopt the findings from the commission, build on those recommendations and resolve those policy issues that remain from the commission's work and formulate a program that the legislature can act on.' And that's why we have set up this process. We can't really do it in one fell swoop, but we can do it in sequential steps building on the commission's report.

***Q: So why can't we do it in one fell swoop?***

**Lighty:** It hasn't worked. We've been trying it since the nineties. And so it's not really like we couldn't do it. It's just that evidence and experience shows we haven't been able to do it that way and so we need a different approach, and if we can understand what the federal government's likely to approve, use that to inform the legislature, if we can actually get supporters of single payer to collaborate on what policy recommendations they'll make to the legislature and how we can finance it, then the legislature's actually in a position to approve it – much more likely than just presenting them with a take it or leave it approach. We've got to engage in a process first with the federal government and also among ourselves to collaborate and that produces a result that we think will be much more likely to succeed.

***Q: Got it. So you mentioned California would have to get federal approval for single payer to move forward. Can you tell us more about the federal waiver process?***

**Lighty:** Well, the official process under the Affordable Care Act requires that the state legislature pass a bill that then is submitted to (the) Federal Center for Medicare and Medicaid Services called CMS, and they decide on whether to approve that application for a waiver of certain provisions that exist in federal law. And as a part of that process then the monies that say have been allocated from the federal government to California through the Affordable Care Act, through Medicaid, through other federal programs, can be pooled into a single source as the commission anticipated and as of course, single payer supporters understand.

So the idea then is in our process, let's get an informal discussion going with the federal government as the Newsom administration has done, and let's support that and let's provide assistance to that and set deadlines so that there's a concrete timeline for getting those informal discussions done, getting a recommendation to the legislature, and then getting the legislature to act while we're certain that the Biden administration's still in position to approve it. So that's the other piece of this, getting the legislature the information it needs to make a timely decision to create that guaranteed healthcare system and to actually set forward a process to move the Newsom administration and the legislature to a decision – and that's what we haven't had before either.

***Got it. And I just want to point out that it was California Governor Gavin Newsom who appointed this commission, the Healthy California for All Commission.***

**Lighty:** That's right. Governor Newsom took a proposal that had been passed by the legislature to set up a commission, the Healthy California for All commission, and then modified it, expanded, expanded its members, and then the legislature approved that version and, and they were able to meet in I guess starting in the end of 2019 and into 2020 and 2021 and then through last year.

***Q: Right. Do you think the commission's conclusions will make this Medicare for All bill more likely to pass?***

**Lighty:** Yes. I mean, we've had other studies in California, other states have done this. Washington state's done it, Oregon's done it, and Colorado's done it and in all cases, these official commissions and the reports that they've generated have stimulated renewed efforts to reform and in fact in Oregon, progress is being made on that. So we think the same can happen in California.

***So Senate Bill 770 isn't the only single payer bill introduced in the California legislature this year. The California Nurses Association introduced another version of CalCare in the state assembly. But the two bills are very different. It seems like Senate Bill 770 focuses on a process and CalCare focuses on a system. Is that right?***

**Lighty:** Well, AB 1690, which is this year's version of CalCare, does not actually have content as to the policy that it proposes. That content will be put into the bill in 2024. So we see these as very complimentary tracks because getting the informal understandings from the Biden administration as frankly other programs in the state also do, when they're seeking federal permission for things that require waivers, they have these informal discussions – that's routine. So the Newsom administration is doing that. They got staff approved from the legislature last year and a consultant budget in order to assist those discussions. We're setting up what we call a waiver development work group to provide stakeholder input and those elements that were in AB 1400 will be very much in the mix during those discussions and during the deliberations of the waiver development work group.

Then when it comes time to make a recommendation to the legislature, obviously those proposals will be in the mix. And in fact, when the legislature then has the opportunity to act, CalCare will be on the table. And so their complimentary processes and complimentary timelines, which converge in 2024, and you know, if CalCare proponents are able to make a strong case, that's going to be influential in this process, and it's going to be influential in the legislature, and there's no

reason why these two things can't come together to produce a system of guaranteed health care in California.

***Q: Oh, so CalCare won't be voted on until at least 2024?***

**Lighty:** That's right and that's by design. That's their intent and they've said that they're going to keep it as what's called a spot bill this year, and then in 2024 give it content and try to move it to the legislature.

***Q: So was that coordinated between the Healthy California Now Coalition and the California Nurses Association?***

**Lighty:** No, we just wanted to make sure that they were complementary and in fact, there's a tweet from Senator Wiener about how AB 1690, which is this year's version of CalCare, is complementary with Senate Bill 770 and Ash Kalra, who, of course, is the author of CalCare, agreed with that tweet. So, you know, at least in the world of Twitter, there is an understanding between the two legislators that these are complementary efforts.

***Q: Very interesting. What hurdles do you see in getting Senate Bill 770 through the legislature?***

**Lighty:** Well, I think it's an opportunity for the legislature to really engage with the recommendations of the Healthy California for All Commission. I don't think it's necessarily difficult to move this through a Democratic legislature, because as Senator Wiener says, it doesn't presume an outcome, right? The commission certainly envisions a system of what they call unified public financing, a single source of payments for all healthcare services. That's the objective. And our advocacy will be very much focused on creating a single-payer system. But from the legislator's point of view, it creates a process of engagement that I think many people who haven't necessarily in the past voted for single payer will find very, very attractive. So I'm not sure – we're getting out of the traditional dynamic,

right? Oh, you're either for or against it and creating a process where everyone who says they support single payer can engage.

***Q: Now, let's talk about how the health insurance and drug companies will react to this bill.***

**Lighty:** I mean, look at the health insurance and drug companies need to account for the fact that the gaps in our healthcare system, exposed by COVID, and the government bailouts needed to address them. And the fact that more healthcare providers and purchases than ever want to build a better system that won't leave so many of us without the care we need while charging us more than anyone else in the world, right? That these are real problems and the insurance and drug companies profit from our broken system at people's expense should take notice and start trying to solve the problems instead of keep causing them, and this is an opportunity for that to happen.

***Q: And what would the impact of single-payer health care be on insurance and drug companies?***

**Lighty:** Well, there's certainly no way that their profits are going to benefit, period. There's no way that their rapacious and murderous business model would continue under single payer. However, there are certainly approaches that the commission considered for a role of what they called intermediaries or plans that would not be profit making, that would somehow administer benefits. It's not an approach I support, or an approach we've endorsed. It wouldn't surprise me if that's, you know, in the mix. But the fact is that the insurance companies and the drug companies have a lot to be held accountable for. And that's ultimately what we need is a process that does that. And we've thrown a lot of tax money at the health insurance companies, and they, in fact, these companies, most of the big ones make a majority of their revenue from taxes and other public sources, and yet we don't get the care we need, and people are going bankrupt and they can't afford it. I mean, in California, over 50% of the people deferred some care last year because they couldn't afford it, right, according to a recent survey. So it's

hard to see how anything less than a significant transformation in their role is required to achieve that accountability.

**Q: What if Senate Bill 770 doesn't pass? What would the consequences be for Californians?**

**Lighty:** Well, you know, according to the commission, we're going to spend an extra \$500 billion, a half a trillion dollars in 10 years – more people will die, more people won't be able to get the care they need because it's too expensive and we'll be left with a broken system that isn't fixed. Obviously the Healthy California for All Commission anticipates that we will have the political will to make the changes necessary to guarantee healthcare to save lives and save money and that's ultimately in the hands of policymakers, and they will have a decision to make as to what the priority is.

And we believe there is an emerging consensus for a system of guaranteed health care that provides better care at lower cost, and it's really on, I think, the burden is on the opponents of such a system to say, 'yeah, we want to spend a half a trillion more dollars in 10 years. Yeah, the status quo is fine when we make billions of dollars with the most expensive and least effective healthcare system in the world. Sure. Let's continue the status quo.' I think the status quo is indefensible.

***Lighty: Thank you Michael Lighty. Join us for a deeper dive into SB 770, plus updates on the bill's progress through the California State Senate, coming soon!***

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