

A new sheriff in town? How one state is fighting high healthcare costs

featuring Ian Lewis



IN THIS EPISODE

The New Year is ringing in higher health care premiums while U.S. life expectancy continues to fall. Despite spending more on health care than any other country, we don't seem to be getting much bang for our bucks! For instance, in 2023 ***American men can expect to live to be 73 while Frenchmen can expect to live to age 80*** - nearly 10% longer!

What's the link between lower life expectancy and high healthcare costs? And how can we rein in costs? To find out we spoke to **Ian Lewis**, the policy director for [Unite Here Local 2](#), a union of over 15,000 hospitality workers in the San Francisco Bay Area. Ian previously served as a research director for the National Union of Healthcare workers and is a board member of [California's Office of Healthcare Affordability](#) established in 2022. This is the first episode in a two-part series.

SHOW NOTES

WE DISCUSS

We're being told to expect big increases in our health insurance premiums in 2024. Why is this happening and how will it affect businesses?

“...we're already seeing big increases. It's not something that's theoretical and in the future. **It is here now.** I think at the core of it, there are a lot of corporations, some of which are officially for-profit, and some of which have not-for-profit tax status, who are trying to boost their profit margins.” – **Ian Lewis**

Are wages keeping pace with this and what does this mean for workers?

“Well, wages have not kept pace with health premiums for decades. Health premiums have gone up two or three times the rate that wages have gone up.

“You know, when I first joined the labor movement, over 20 years ago, health benefits typically ranged 15% to 17% of an average worker's income. Now they're over 50%, in many places, and they're eating up more and more of the pie.

“And that's a very big part of the reason that people's wages have not been going up as much as we all would have liked over the last couple of decades, because all that money is going to pay for health care, as opposed to the other necessities in life.” – **Ian Lewis**

You're on the board of California's Office of Health Care Affordability, which was established to slow healthcare spending growth, to promote high-value system performance, and to assess market consolidation. What steps has the Office of Health Care Affordability taken so far toward achieving its aims?

“I speak for myself and not for the Office of Health Care Affordability here, but I was very excited when the law was passed to create this new regulator. I've worked for many years in Sacramento to **increase the transparency and the regulation of health prices** in this state ... and the Office of Healthcare Affordability is a big step in that direction.

“It has a number of mandates, the biggest of which is to **set spending targets** for the healthcare sector overall, and eventually sub sectors in health care, **and to start enforcing those targets** on hospitals and physician groups and health plans and other entities in the health sector.

“...we have spent a lot of time looking at different ways of first **documenting how much we spend for health care**. You'd think that's a fairly straightforward thing, but it's not. And then the methodologies that we might use for saying how much health care should go up in future years.

“In addition, the office is charged with **evaluating corporate mergers and acquisitions**, and **assessing what impacts those might have on consumer affordability** and the local economies where those are happening.

“So it's a very ambitious project. It's a project that a number of other states have also tried, but not with the teeth and the enforceability that California is attempting to set up over the next couple of years.” – *Ian Lewis*

Helpful Links

[Private Health Insurance Premiums Reach a Record High of \\$7,008/Year in 2024, PR Newswire](#)

[Health Insurance Premiums Are Set to Surge in 2024, Money.com](#)

[Why are families paying \\$24,000 a year for health insurance when inflation is going down?](#), *USA Today*

[Kaiser rate increase for 2024](#), *The original unofficial subreddit for Kaiser Permanente (KP)*

[2023 Employer Health Benefits Survey](#), *Kaiser Family Foundation*

[California Office of Health Care Affordability \(OHCA\)](#)

Episode Transcript

Read the [episode transcript](#).

Guest Biography

Ian Lewis is the Policy Director for Unite Here Local 2, a union of over 15,000 hospitality workers in San Francisco, San Mateo County, and the East and North Bay. He has previously served as the Research Director for the National Union of Healthcare Workers where he directed research and political staff to support policy initiatives, collective bargaining, and electoral efforts including policy research & advocacy, health industry corporate analysis, quantitative support for collective bargaining with health employers, and organizing community and political relationships. Lewis is a trustee of a multi-employer health benefits fund covering thousands of participants in the San Francisco Bay Area.

Lewis is appointed to the Health Care Affordability Board by the Speaker of the California Assembly, Anthony Rendon, required by The Office of Health Care Affordability's enabling statute (SB 184, Chapter 47, Statutes of 2022).

Lewis has been in the labor movement for twenty-five years, much of that time making the best of a broken health care system for low wage workers. Prior to joining the National Union of Healthcare Workers, Lewis was the Research Director for Unite Here Local 2 coordinating political and community activities for collective bargaining and legislative efforts. Lewis' experience includes bargaining for health benefits in both the US and Canada, administration of not-for-profit health funds, as well as regulatory and legislative strategies. He has been closely involved in legislative efforts to expand transparency of large group health plan pricing, and to advance the work of the Healthy California for All Commission.

Lewis has a bachelor's degree in Government and Africana studies from Cornell University.

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