



How California's latest single-payer bill would revolutionize health care

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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!** What's the new single-payer bill in California and how would it help save lives and money? What's different about this version of the bill and what kind of support does it have in the state legislature? To find out, we spoke

to **Assemblyman Ash Kalra**, who introduced the CalCare bill and is serving his fourth term in the state Assembly. This is the first episode in a two-part series.

Welcome back to Code WACK! Assemblymember Kalra!

Kalra: Thank you.

Q: Thank you for joining us and thank you for working to fix our wack healthcare system.

(laughter)

It's no secret that Californians continue to struggle with paying for health care. In 2023, California families were averaging annual premium costs of \$22,818. That doesn't include out-of-pocket costs. Meanwhile, the California Hospital Association reports that only six insurance companies control 94% of the commercial health insurance market and coverage denials are rising along with profits. Yet another report indicated that one in five California hospitals is in danger of closing. This is all pretty alarming stuff. Talk to us about your new bill, Assembly Bill 2200, or the California Guaranteed Healthcare for All Act, and how passing it could address these problems.

Kalra: Well, AB 2200 is similar to AB 1400 from a couple years ago. It would set up CalCare and CalCare is a policy that would put in place a single-payer healthcare program in California. It would not be a takeover of the healthcare system. The same doctors that provide private and public health care would continue to do so. It's just the payment would be coming from one source, a single source, CalCare, and by doing that, it will allow us to dramatically cut down on costs. You wouldn't have this multi-payer system where you have massive profit-taking from insurance companies and insurance companies telling health care providers like doctors and nurses what they're allowed to do in their treatment.

It also would allow us to dramatically cut down on administrative costs as well as, bargain for reduced costs in pharmaceuticals. By doing all that, not only do we dramatically reduce the cost of health care, we actually allow for the ability to expand the services that would be available to Californians.

Q: That all sounds great and that's why HEAL California and its parent organization California OneCare support AB 2200. What are some of the services that can be expanded, for example?

Kalra: Dental, vision, long-term care, which is really a cliff that we're on the verge of going over right now. It's already in crisis mode. And you would also allow for services that wouldn't have copays or premiums, pharmaceuticals where you would not have to pay enormous out-of-pocket costs as well. And so everything that would be deemed necessary for someone's both preventative, urgent and critical care would be covered, including long-term care, including dental, vision, hearing, which currently Medicare doesn't cover. So you're talking about an expansion of services at a reduced cost to the system as a whole while making sure doctors, nurses, those providing the care, are compensated fairly in a way that allows them to sustain the practice as well.

Q: Right, it sounds wonderful. So how is this new CalCare bill different from the last one that you introduced?

Kalra: It is similar. We do have some amendments that include having a practicing physician on the CalCare board. I know that was asked of doctors, and it also would have an advisory committee regarding pensions. So some of the concerns of unions that already have built-in pensions and retirement funds, we want to make sure that we have a very robust ability to be able to respond to that as well. It allows for gender-conforming care to make sure that folks are cared for in the way that makes sense and that is respectful of their needs as well.

Q: Great. Yes. Has California's healthcare system changed since the last time you introduced a single-payer bill? And if so, how?

Kalra: Well it's changed in a number of ways. First of all, I think the pandemic and the post pandemic period has really exposed the enormous inequities in our system and the cost for our system have continued to skyrocket. And so our system has become less sustainable. Now, some things good have happened, like for

example, expanding Medi-Cal to undocumented residents and that's a great thing to be able to expand that form of care in a couple ways.

First of all, it's the right thing to do to make sure everyone has access to Medi-Cal. It also increases the amount of money that our state is putting into our healthcare system. And by doing that, it actually reduces the amount of money that we'd have to seek in a taxation scheme to make CalCare a reality.

But it also exposes the fact that Medi-Cal is not comprehensive care. A lot of doctors, a lot of regions, don't take Medi-Cal and doctors can't function and sustain themselves on Medi-Cal and that's why CalCare has Medicare as a floor of payment. But by expanding healthcare access, it does further make the case of why a single-payer system makes the most sense.

Q: Right. I'm so glad you mentioned that because some people might say, 'well, everybody now has access that needs it, has access to Medicaid.' But as you pointed out, you may not be able to find a doctor in your area and you may have to travel like an hour to get to a doctor that accepts Medicaid.

Kalra: Um-hmm. That's right. And so both in rural communities as well as underserved communities, it's great that people may have a Medi-Cal card, but it doesn't mean they have true access, certainly not in the same way as someone that might have private insurance and so we want to get rid of these multi-tier system that has second-class citizens, essentially in our healthcare system. It's also not good for the doctors. Doctors don't want to take patients that make Medi-Cal 'cause they're not being fairly compensated for the care that they're providing.

We want to get rid of this multi-payer system, get rid of Medi-Cal and instead have CalCare and so that way not only do patients, not only can patients walk into any doctor's office and know that they'll accept that card, just like when you have Medicare, just like when you have a VA card, but the doctors are also being compensated fairly as they should and clinics and, you know, hospitals are getting compensated for the care they're providing. That, you know, CalCare isn't about a system that treats doctors unfairly. We want doctors to be fairly compensated and we can do that if we take the profit-taking out of our system by insurance

companies. If we take the profit-taking out of our system in terms of pharmaceuticals, whose costs are jacked up, or hospitals that are charging an exorbitant amount for services to some patients, but charging far less to others. It's a nonsensical system that is unsustainable and is immoral.

Q: So it sounds like a no brainer in so many ways. How have the politics around healthcare reform changed in California or have they since you last introduced the bill?

Kalra: Well, the politics are the same as they always have been. The reality is changing our healthcare system to one that makes more sense and that's more equitable really is more about political will than anything 'cause every legitimate study shows that a single-payer system is better for patients, is better for getting rid of the inefficiencies in our system. But when you have a system that costs hundreds of billions of dollars because there's a lot of profit being made, you're gonna get a lot of resistance. And that in turn makes it difficult to get the political will to get something passed because there's so much money that comes into our system that pushes for the status quo or incremental change that doesn't get us where we need to be. And by the way, whenever we do incremental change, it is an argument for single payer because every time we expand healthcare access, whenever we expand or improve on reimbursement rates, whenever we increase the number of hospitals that accept patients, or whenever we see companies like HCA shut down hospitals and the public system picks up the slack, those are all arguments for a single-payer system 'cause it's telling us that by relying on the profiteers in our system, we continue to shortchange the public in terms of access to care while increasing the costs to our system.

Q: Right. Thank you. So you said the politics are the same, but what do you see as the biggest obstacle to getting the bill passed?

Kalra: Well, I think there's a lot of misunderstandings about the bill. We still have to continue to educate our colleagues and the community about it. Part of what always gets brought up is, 'well, it costs a lot of money.' And folks say that, especially those that you know, don't wanna see a bill like this move forward will

say that, and they say that on the one hand, while never talking about how much our current system is costing us. Our current system is costing as much as half a trillion dollars a year in California. And so when they say, 'oh, CalCare or single payer will 400 billion' they talk about it in a vacuum as if there isn't a current system that is right now bankrupting people. And so we have to be honest with folks about, 'okay, if you don't like CalCare, tell us what you are going to do to reduce the suffering in our community, to reduce the bankruptcies by families, to reduce the enormous costs on employers.

You mentioned the average family spending \$22,000 a year, well, employers are spending the same (when they're sharing the cost in premiums) they're also spending \$20,000 plus a year for their [employees] to have family coverage. It's unsustainable and so we have to get past the rhetoric of, oh, it costs too much. No, our current system costs too much. The cost of our current system in suffering, the cost in how much it's taking out of our GDP out of our economy for health care is enormous. And so we have to get past that aspect of the cost. Also, the fact that people want to know to the penny how we're going to pay for it upfront when that's not the system that is currently set up. The way our system is set up is the federal government asks us to pass a policy bill before we apply for waivers and that will in turn tell us how much we have to go after in taxation.

We're doing it the right way, but it's, it's so much easier to kill bills and kill legislation based upon fear over facts and the fear of someone losing their health care, even if their health care is substandard, the fear of how much it's gonna cost, even though our current system costs more than anywhere else in the world. It's really gaslighting folks into a position where they feel uncomfortable supporting the bill. And I want to have honest conversations with my colleagues and with the public about the fact that there is a better way.

Q: Right, right. Yeah. And I love what you said about, they talk about how much it's gonna cost without talking about how much it's already costing us, which is a lot more than what it would cost with single payer.

Kalra: Mm-Hmm.

Q: Yeah, thank you, so which constituencies already support the bill and which are you still trying to get on board?

Kalra: Well, we do have a lot of support politically in the Democratic party. Not just progressive crews, but the Democratic Party as a whole, folks that are active in the party. We're seeing more and more support from unions, which are such an important partner in this. Unite Here Local 11 has a support in principal position, CSEA, which is all the folks that work in our schools that aren't the teachers. And that's a huge part of our workforce, have shown support. We're getting really good feedback from teachers on this. We're getting good feedback and talking with UFCW, our food and commercial workers, the ones that work in our grocery stores that work in so many different capacities and our economic system revolving around food, our food systems, Black Lives Matter has been a huge supporter, ACLU. So we're seeing a lot of folks come on board early on, and so we just need to continue to push it. We also, by the way, you know, have already 19 legislators and counting on board so we're seeing some positive momentum.

Q: Oh, that's great. I love hearing that. So is it mainly Democrats or do you have any either Independents or Republicans that have signed on?

Kalra: Well, unfortunately we're not seeing Republicans sign on. And, you know, when it comes to healthcare reform, we hear the same talking points from Republicans. Oh, like, 'you're gonna take healthcare away' or 'it's gonna cost a fortune.' Unfortunately, you know, they repeat the talking points of industry. I really hope that Republicans will see the light and see how much suffering is occurring in their districts. A lot of Republican districts, you know, have a lot of folks living in poverty. They're rural communities that don't have adequate access to healthcare. So I really hope we can get some Republicans on board because this is not a Republican or a Democrat bill. This is a bill for all Californians, all 58 counties can benefit from supporting a bill like this.

Thank you Assemblyman Ash Kalra. Join us next time when we continue our conversation with the assemblyman about AB 2200, California's new single payer bill and what it will take to get it passed.

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