What the New UCLA Report Reveals About California Single Payer

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After decades of studies, legislative fights, and political setbacks, California is still debating whether it can build a healthcare system that covers everyone. This time, the conversation is being shaped by a new report from UCLA, commissioned by the California Health and Human Services Agency as part of Senate Bill 770.

The report examines what it would take for California to move toward a unified financing system, like single payer, and eventually seek the federal waivers needed to make it possible.

Welcome to Code WACK!, where we break down how our healthcare system really works, what it means for you, and how we can make it better for everyone. I'm your host, Brenda Gazar. Michael Lighty has spent more than three decades fighting for universal healthcare. When he started, he never imagined he'd become eligible for Medicare before the country adopted Medicare for All, yet here he is. For Lighty, the report from UCLA doesn't answer every question, but he says it confirms something advocates have been saying for years.

Lighty: Throughout the [UCLA] report, there is a finding that acknowledges the character and policies of health systems in other high-income countries. And universally, those healthcare systems are either directly single payer or are

systems in which whatever intermediary exists looks nothing like US insurance companies. So that finding, I thought, was a thread. And it doesn't actually take a particularly close reading of the report to see that they concluded that in terms of efficiency, cost control, and universality, single payer is the superior policy. That's what that report finds.

Lighty says that's what makes this report different. Not because it changes the evidence, but because it changes the conversation. Instead of asking whether California should guarantee healthcare for everyone, he believes that the state is finally beginning to ask how.

Lighty: And so that's what also this process coming out of the UCLA report is designed to do, is address, okay, how should we design a healthcare system that guarantees healthcare to everybody? What 770 and the report calls unified financing. Okay, how do we do that?

But the second part is, what can California do now before we get the federal waivers? And that is an immediate question that I think we can advocate for and develop some approaches that would be popular and also potentially agreeable to a Governor Becerra, not necessarily the California Medical Association when you start talking about rate regulation.

Xavier Becerra is the Democratic nominee and current front runner for governor in California's general election.

Lighty: So there are gonna be obviously deep pockets against it. So the UCLA report helps us shift the question from whether we should do a system of universal health care that guarantees everyone the health care they need, to how we guarantee healthcare to everyone.

Still, Lighty says one misconception continues to dominate nearly every discussion about single payer – cost. Opponents often argue that a publicly financed healthcare system would simply be too expensive. Lighty says that argument misses an important point.

Lighty: The UCLA report, it's very straightforward, I think, on those questions. And it takes data from the Healthy California for All report, which showed that single payer does save money and controls costs most effectively going forward. What it does is say, "Well, yeah, you can achieve those cost savings.' And we believe it undercounts, particularly the administrative cost savings, both in terms of the system administration and also for doctors and hospitals. And it doesn't really deal with prescription drug prices, which is a huge part of the savings that could be generated under single payer. Leaving that aside, it says, 'Well, yeah, you could take these savings, but if you put those savings into long-term care, LTSS, long-term support services, then you're going to probably spend more, right, than we're currently spending.' But the point is that people are spending a lot individually, and there are a lot of people who don't have any kind of coverage for long-term care, right?

Because we can do what we're doing now in terms of healthcare benefits and coverage for much less under single payer. If you want to expand what we do now into a relatively expensive area, which is long-term care, then yeah, there are going to be increased costs. But you can still do that for pretty close to what we're spending now. And I think the report doesn't do a good enough job of saying that the public financing, *the taxes are replacing private insurance premiums that employers and individuals pay.* I don't think it does a good enough job. You know, I have quibbles and I have critiques. But overall, the report validates what we know, which is single payer is a superior policy to provide people with the health care they need at a lower cost.

For Lighty, the UCLA report arrives at a moment when more Americans are questioning the healthcare system they already have. Insurance premiums continue to climb. Deductibles have grown. Even people with coverage often struggle to afford care. He says that's changing the politics of health care.

Lighty: When people talk about the cost of living, media likes to focus on gas prices and groceries, which is real. But really at the top of that list is health care.

So that's what we have. We have an affordability crisis that for many Americans is experienced in ever higher healthcare costs. And frankly, no policy other than single payer actually addresses that because the Affordable Care Act solution is, sure, 'we'll just throw more taxpayer subsidies so you can afford this ever more costly product called health insurance.' Well, that's not exactly a solution. And in fact, we ran up against that in HR1 where you take out the subsidies, four million people at least, right, disenrolled. And that's still a relatively small part of the overall health insurance coverage, which is primarily employer-based. And so workers being crunched where every dime they can squeeze out of the employer goes to health care so they're not getting wage increases in a time of inflation.

That's how people are experiencing affordability. So and that's how some people, like, again, Dr. [Abdul] El-Sayed are talking about healthcare.

Dr. Abdul Al-Sayed, a single payer advocate, is currently running to represent Michigan in the US Senate.

Lighty: And that's the crisis that I think we are best positioned to address through single-payer Medicare for All.

The report also spends considerable time examining equity. Who gets care? Who waits? Who has access? And who doesn't? Lighty says that's one of the strongest sections of the report because it highlights something he believes the current system simply cannot fix.

Lighty: How do you achieve equity in the healthcare system when you've got people on Medi-Cal getting less access to treatments, when you've got people getting access to treatments based upon their insurance type, when you've got, you know, BIPOC communities being in healthcare deserts and discriminated against when they go to providers, how are you gonna address those equity issues? Which {Senate Bill) 770 says directly, we've got to eliminate those disparities. And the report does spend a lot of time on equity. And equity is the Achilles heel of the current system because there is no way a commercial

insurance-based system and all this fragmentation of coverage and differences in financing and differences in access and treatments can provide equity. It cannot inherently provide equity. And equity, and the equity argument does come through in the report, and that is - as you say, new ammo for our fight. But you take the cost crisis in healthcare, and you take the equity crisis in health care, and the only solution is single payer.

Even so, Lighty knows California can't simply declare a single payer system into existence. Federal waivers would still be required. Political support would still have to be built. And that means advocates have to think about what can happen now. Not just what they hope will happen years from now.

Lighty: Well, the headline we want is, you know, in November, 2030, that California voters have, you know, passed single payer, or whatever we call it at that point. That's what we want. I mean, how we get there is we have to do two things. One is, I do think we have to provide some proofs of concept and real relief on people's ability to get health care, right? And pay for it. So in other words, some of the kind of foundational policies that we could enact prior to getting federal waivers. My personal view is that to win Medicare for All at the federal level, it takes a president who's committed to doing it, right? Short of that, we need a president who's open to enabling the states to do single payer. And those are two different things, perhaps.

And we're going to need a friendly administration in Washington. So single payer advocates have to take very seriously the 2028 presidential race. Because no matter what, we need someone who's going to provide California the waivers we need. And we need to move a Governor Becerra to the point where he actively seeks the best possible version of those waivers, which is why CalCARE is so important because we always have to have the fight around the system we want, right?

Lighty: We may not agree on every element of what CalCARE does. Certainly the nurses believe it's, you know, , that is the, you know, , , system we should adopt in

full. But we'll have that fight, but it's very important to have that fight in the context of ‘we want single payer. And single payer is the superior way to address the crisis of equity and cost.’

So we're gonna need to find ways to both achieve progress and fight for what we ultimately want and set up both the California administration and the federal administration, and that's a political fight in both cases, to pursue waivers that enable that. And then we're gonna have to win the ballot fight against $200 million of health insurance money. And so let's hope that people like Tom Steyer are gonna be on our side in that ballot fight.

For Lighty, that's what Senate Bill 770 is really about. Not simply producing another report, but creating a roadmap. One that moves California from debating this idea of universal health care to deciding what it should actually look like.

Thank you, Michael Lighty of Healthy California Now.

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This podcast was powered by Healed California, uplifting the voices of those fighting for healthcare reform around the country. I'm Brenda Gazzar. Thanks for listening. And until next time, stay healthy.