



Health Care for All - San Fernando Valley Chapter

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Dear Chair Holden,

The San Fernando Valley chapter of Health Care for All-CA strongly supports AB 1400, the California Guaranteed Health Care for All Act to establish a single-payer health care system in California, called CalCare, that will ensure that all Californians, regardless of employment, income, immigration status, race, gender, or any other considerations, can get the health care they need, free at the point of service.

The SFV chapter believes that our community is unique in many ways, a dramatic study in contrasts. The Valley is a vital hub of the entertainment industry, with its excessive wealth and influence at the same time it is home to hard-working blue and white collar families, overwhelmingly immigrants. Representing 1.5 million residents in half a million households, the Valley overall is much larger and poorer than many other LA communities, which is reflected in our higher numbers of COVID cases and deaths.

A review of economic analyses of 21 single-payer healthcare financing plans around the world, published in the respected journal [PLOS Medicine](#) in January 2020, conclusively points to the savings and sustainability of a single payer system. A country comparison on healthcare financing by the Organization for Economic Co-operation and Development (OECD) finds that the United States spends twice the average of countries that have universal health care and has worse outcomes (e.g., lower life expectancy, higher infant mortality).

The financing plan for AB 1400 contained in the proposed constitutional amendment ACA-11 (Kalra et al) favors small businesses that hire roughly half of the total work force and account for two-thirds of new jobs. Right now, less than a quarter of small businesses offer health insurance. Under the AB 1400 financing plan, all employees would have comprehensive health care. Businesses with under \$2 million in gross receipts are exempt from the business tax, and employers with fewer than 50 employees are exempt from the 1.25% payroll tax.

AB 1400 is the best answer to our broken health care system: universal, fiscally sound, equitable. We should get what we're already over-paying for.

Today's U.S. health care system is a complex, fragmented, multi-payer system that still leaves wide gaps of coverage and poses significant issues of affordability. By streamlining payments and lowering per-capita health care spending, CalCare guarantees quality health care and long-term care without creating barriers to care or out-of-pocket costs.

Research presented by Ken Jacobs from the UCB Labor Center to the Healthy California for All Commission on November 17, 2021, shows that a single-payer system can save our state billions of dollars annually, while covering our population with comprehensive health care. CalCare would move the state to a simplified health care payment system that will free health care providers from devoting time on billing and instead focus on patient care. The new system would establish reasonable payment methodologies for providers that are aligned with the actual costs of care rather than driven by profits.

CalCare would negotiate fair, adequate global budgets to hospitals and other institutional providers to help contain the exorbitant costs by aligning health care payments with the actual cost of care and eliminating waste present in the system today.

The CalCare program would be a truly transformative change to California's health care system. In addition to guaranteeing health care to all Californians, it would save families and businesses thousands of dollars in annual health care costs by cutting out the bloat and inefficiencies of our fragmented, for-profit insurance system.

Now is the time for action. We urge the California state legislature to pass and enact AB 1400 into law.

Sincerely,

The HCA-CA SFV Coordinating Committee

Rhetta Alexander, Bruce Hector, M.D., Anita Horn, Dessa Kaye, Michelle Klein-Hass, Al Saavedra