



Senator Scott Wiener, 11th Senate District

Senate Bill 770 – Unified Healthcare Financing

SUMMARY

SB 770 establishes tangible steps on a concrete timeline toward creating a system of guaranteed healthcare for all California residents that will provide better care at lower cost by:

- Directing the Secretary of the California Health and Human Services (HHS) Agency to pursue waiver discussions with the federal Center for Medicare and Medicaid Services (CMS) to facilitate the creation of a unified healthcare financing system;
- Requiring the Secretary to establish a Waiver Development Workgroup of diverse healthcare system stakeholders appointed by the Governor, Speaker of the Assembly, and President Pro Tempore of the Senate;
- Requiring the Secretary to provide quarterly reports to the chairs of the Assembly and Senate Health Committees on the status and outcomes of waiver discussions with the federal government and the progress of the workgroup;
- Requiring the Secretary to submit a complete set of recommendations regarding the elements to be included in a formal waiver application, as specified, by no later than June 1, 2024;

BACKGROUND/PROBLEM

The fragmentation and inequities of our current healthcare system – from varying health plan eligibility requirements to the continued lack of effective oversight of these health plans – is harming California residents. These shortcomings result in severe and sometimes lethal gaps in medically necessary health coverage and disproportionately impact historically and systematically marginalized groups.

California has taken important steps to expand access to healthcare for all – most recently expanding Medi-Cal coverage to adults 50 years and older regardless of immigration status – but the state has also recognized that the status quo of healthcare financing is no longer working and that innovative solutions must be explored.

The 2019 Budget Act charged the Healthy California for All Commission with developing a plan that includes options for advancing a health care delivery system in California to provide better care that costs less through a unified financing (UF) system, including, but not limited to, a single-payer financing system, for all California residents.

In their final report, the Commission summarizes the characteristics of the new “unified financing” system as:

- All California residents will be entitled to receive a standard package of health care services;
- This package could include Long Term Care Support and Services, which would relieve huge and growing burdens that are falling on millions of families;
- Entitlement will not vary by age, employment status, disability status, income, immigration status, or other characteristics; and
- Distinctions among Medicare, Medi-Cal, employer-sponsored insurance, and individual market coverage will be eliminated within the system of unified financing.

The report estimates that universal coverage through a unified financing system would save 4,000 or more lives annually, and finds that, “absent a shift to UF, California will incur an additional \$500 billion in medical costs over the next decade.”

SOLUTION

California has the ability to establish a system of guaranteed healthcare for all and provide better care that costs less. SB 770 makes this potential real by establishing a specific statutory pathway for pursuit of this goal.

SUPPORT

- **Healthy California Now Coalition (sponsor)**

FOR MORE INFORMATION

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