



LEAGUE OF WOMEN VOTERS® OF CALIFORNIA

June 18, 2010

The Honorable William Monning
Chair, Committee on Health
California State Assembly
P.O. Box 942849
Sacramento, CA 94249-0001

Re: SB 810 (Leno)—Support

Dear Assembly Member Monning:

The League of Women Voters of California is pleased to support SB 810 (Leno), a bill to establish a single payer health care plan for California. All California state residents will be eligible for comprehensive health care benefits when the California Universal Healthcare System, administered by the California Universal Healthcare Agency, is created.

The League believes that every Californian should have access to a basic level of quality care provided within a system that controls health care costs. SB 810 is a win-win proposal that will afford security to every California resident. Eligibility is based on residency, not employment or income. No one will ever lose coverage because of unaffordable insurance premiums, changing or losing a job, going to or graduating from college, or pre-existing conditions.

SB 810 provides for the efficient delivery of health care. Consolidating the functions of many insurance companies into one comprehensive health care plan will eliminate waste, saving the state, employers and consumers billions of dollars each year. A Boston University study showed that half of every dollar spent on health care is squandered on clinical and administrative waste, insurance company profits and overpriced pharmaceuticals. According to a 2005 Lewin Group study of the model for SB 810, California could save more than \$20 billion in reduced administrative costs in the first year alone under a single payer health care system.

However, health care costs continue to escalate each year. SB 810 will alleviate the burden of inflationary health care costs for California employers. The high cost of health care makes businesses less competitive, and unsustainable costs are forcing employers, government and families to cut coverage. Canada, France, Germany, Italy, Japan and the United Kingdom provide universal health coverage and spend less than half of what the United States spends per person on health care, while achieving superior health outcomes and greater patient satisfaction.

SB 810 will stabilize the growth in health care spending by linking increases to growth in state gross domestic product and population, employment rates, and

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other relevant demographic indicators. It includes cost controls and an emphasis on preventative and primary care. California businesses and the state will greatly benefit from the savings that will result from SB 810. By spending less for health care, they will have an opportunity to save on costs, increase profits, rein in state budget expenditures and increase state revenues.

The passage of federal health care reform legislation has greatly increased the importance of California's advocacy for universal health care. The League of Women Voters of California supports SB 810, and we will continue to work actively at the grassroots level to educate the public on the merits of this bill. We urge your committee to pass SB 810.

Sincerely,



Janis R. Hirohama
President

cc: Assembly Speaker John Pérez