

Health Care Reform Update (3.3.08)

After the demise of comprehensive health care reform bill ABX1-1, it seems advocates and legislators are looking towards a more incremental approach to reform. Assembly Speaker Fabian Nunez has already stated that he will not spend 2008 trying to revive ABX 1-1. However, other policymakers have already introduced legislation that may begin to lay the groundwork for this incremental approach. Many of the pieces of ABX1-1 have been stripped away and placed into individual bills.

CPCA will provide a comprehensive list of the incremental health care reform bills introduced. Some bills include: AB 1 (Laird) and SB 32 (Steinberg) – Expands Medi-Cal and Healthy Families eligibility to cover all children with family incomes at or below 300% FPL, SB 1440 (Kuehl) - Medical Loss Ratios: Requires plans to spend 85% of premiums on medical costs, AB 1554 (Jones): Rate Regulation – DMHC and DOI must approve rate increases beginning 2009, SB 1522 (Steinberg) – Individual market reform - Regulators would create five tiers of coverage products and require each plan and insurer to offer a product in each category. Other legislation includes transparency, prevention, public insurer option etc. to be included in comprehensive list in next week's Weekly Update.

In early February, advocates filed a children's health initiative for the November ballot to establish a new tobacco tax to help fund health insurance for children and at the same time discourage youth smoking. The new campaign calls for a 75-cent per pack tax on cigarettes and represents an effort to keep as many children insured as possible in California. Though some time remains, it is rumored the children's advocacy groups are unable to secure the necessary funding for signature gathering, therefore it is unsure if this initiative will move forward.

Governor Schwarzenegger insists on the Administration's continued commitment to comprehensive reform this year, though no vehicle or timeline has been identified.

CPCA continues to be closely involved in discussion and efforts on next steps for health care reform and will continue to provide updates on progress and development. For any questions regarding health care reform, please contact Jamila Iris Edwards at jedwards@cpc.org or Serena Kirk at skirk@cpc.org.