



TALKING POINTS: SB 2 (Burton), Health Insurance for Working Californians

SB 2 (Burton) would extend health coverage to up to a million uninsured California workers, and provide security to millions more families that get coverage through their employer, but are scared about losing it. The bill is broadly supported by groups representing doctors, workers, consumers, seniors, people of faith, communities of color, hospital, insurers, and some employers. Surveys of both voters and employers indicate broad support.

Starting in 2006, the bill gradually builds upon the current health system, by which 18 million Californians get health coverage through their employer. Employers of 50 or more workers would pay a fee into a state purchasing pool to provide health coverage to their workers. They would have the fee waived if (as over 90% of such employers now do) they already provide coverage to their workers—and, in the case of employers over 200 workers, their families. Small businesses are exempt.

SB 2 provides health coverage to working families that play by the rules, pay their taxes, work hard, but don't get health coverage.

- Almost 80% of people without health insurance are in working families.
- *SB 2 focuses on the significant number of uninsured working at large corporations that do well but don't offer health benefits.*
- SB 2 would cover working families--as many as one million of 4.5 million uninsured Californians would get health insurance through their job, including 200,000 children.

SB 2 provides relief to up to a million uninsured working Californians—that now live sicker, die younger and are one emergency away from financial ruin.

- The uninsured often delay or avoid getting the care they need, including screenings and preventative care, ongoing treatments for chronic conditions, and even emergency care. *The uninsured are more likely to die prematurely* than the insured with similar problems, for every type of ailment or problem.
- Nearly half of all uninsured reported having unpaid bills or being in debt to a hospital or health provider. In fact, *nearly half of all personal bankruptcies are the result of health problems or large medical bills.*

SB 2 provides security to millions who already get health insurance through their employer, but are scared about rising costs or losing coverage altogether.

- *Over 18 million Californians get their health coverage through their employer; half of them would be more secure* in keeping their health coverage under SB 2.
- *SB2 limits the share paid by workers* to 20% of the premium, or for low- and moderate-income workers, 5% of their wages.
- SB2 tightens regulation of co-pays and deductibles by requiring the responsible agencies (DOI, DMHC, MRMI) to review copays and deductibles for affordability for workers and employers.

SB 2 provides a boost for the economy, ensuring a healthier, more productive, more economically secure workforce and customer base, and fairness for the majority of employers that provide coverage.

- *SB 2 would prevent many personal bankruptcies due to medical bills;* Nearly half of the uninsured face “life altering” medical debt, so they are unable to be good customers.
- *Uninsured workers are sicker and thus less productive,* missing work due to illness. They also are more transient, imposing significant training costs on employers.
- *SB 2 provides savings to the state budget,* since taxpayers foot some of the cost for those whose employers don't provide coverage. Most on Medi-Cal and Healthy Families are in working families.
- More people will be enrolled in Medi-Cal and Healthy Families, and this will *bring in considerable new federal matching funds that will create jobs* in California.
- The employers that already provide health benefits to their workers—over 90% of those with over 50 workers—will benefit from not being undercut by competitors that don't.
- *Affected employers will now have a new option* of paying into a state purchasing pool, that will administer the benefits and be able to bargain for better rates.
- A companion bill, AB1528, creates a commission to explore controlling overall health care costs while improving quality---before SB2 even goes into effect in 2006.