

What is Proposition 72?

Also known as SB 2, the Health Insurance Act of 2003, Proposition 72 protects and expands employer based health coverage for working Californians. Around 19 million Californians get health coverage through an employer, but are concerned about the rising worker premiums, or having coverage dropped altogether. Over 6 million Californians are uninsured, even though 80% of them are workers or their family members. Prop 72 will require more medium to large size employers to provide medical health insurance benefits to their employees or contribute to a statewide purchasing pool to provide health coverage to working Californians and their families.

How does it effect working Californians? How will it work?

Proposition 72 will protect the on-the-job health coverage of millions of Californians, and extend health insurance benefits to nearly 20% of the uninsured population, an estimated 1.1 million working Californians.

While most employers provide health coverage to their workers, a few do not, leaving hundreds of thousands of working Californians uninsured. Those employers that do provide health coverage have started to shift the increase in premiums to their employees. Consequently, many individuals choose not to have health insurance coverage because they simply cannot afford the out-of-pocket costs of health coverage and services.

Additionally, Prop 72 will reward responsible companies who provide health insurance benefits to their employees by leveling the playing field with competitors.

Specifically here is what Prop 72 will require:

- By January 2006, companies with 200 or more employees will be required to provide health insurance coverage to their workers and their families.
- By January, 2007, companies with 50 or more employees will be required to comply.
- All medium to large size employers to pay at least 80% of the cost of the premiums for health benefits.
- Coverage must include preventative care, major medical, and prescription drugs.