



**FOR IMMEDIATE RELEASE**  
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**STATEMENT: California Association of Health Underwriters Responds to False Claims Made by Universal Single Payer Health Care Proponents**

Rick Coburn, president of the California Association of Health Underwriters (CAHU) issued the following statement today regarding California Nurses Association/National Nurses United (CNA/NNU)'s new research study on SB 562 (Lara/Atkins):

"The California State Senate estimates a universal single payer government-run health care system as outlined in SB 562 will cost \$400 billion annually and will dismantle a system that provides coverage for 94 percent of Californians leading to rationing and barriers to access. Yet the California Nurses Association/National Nurses United (CNA/NNU) continues to argue that The Healthy California legislation benefits all Californians. A universal single payer government-run health care system is not the desired approach nor supported by the vast majority of California residents. An April poll commissioned by CAHU found a supermajority of California voters (66 percent) opposes establishing a universal health care system when they know the actual cost.

The California Association of Health Underwriters (CAHU) is concerned about the following:

- Senate Bill 562 proponents assume federal funding will cover 70 percent of the annual \$400 billion cost estimate. California has no authority over federal programs and cannot assume the federal government will grant the necessary waivers. (Source: [https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section\\_1332\\_State\\_Innovation\\_Waivers.html](https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section_1332_State_Innovation_Waivers.html))
- There is great disparity in tax burdens proposed by SB 562 proponents. California businesses will pay seven and a half times more (\$106 billion) than those paying sales taxes (\$14 billion) according to the CNA-purchased economic analysis. This will lead to far more Californians being unemployed, less tax revenue into state coffers, and more pressure on an already broken unemployment trust fund, that is also 100 percent supported by employer taxes. This proposal is one more cost pressure on California businesses and their ability to hire or expand.
- By abolishing health care options delivered by private insurance companies, the single payer universal health care law would make nearly 18 percent of California's workforce unemployed. The law would abolish all private health insurance in California, including Medicare, replacing it with a government-run monopoly on all health care services.
- Nowhere in the bill's language does it refer to lowering the cost of health care delivery. The existing public/private system already provides access to coverage and health care services for all. (Source: Patient Protection and Affordable Care Act). It is not possible for a health system to

go from one where there is a doctor copay and a deductible plan to a plan with neither of them and with more covered benefits and not cost more.

- SB 562's Healthy California Director and Board is an unelected bureaucracy with limited accountability to the Legislature or public. There is no mechanism in place to remove an appointee. The appointees are political and selected by the Governor, the Senate leader and the Assembly Speaker. (See 100610 (a) & 100612 (a)). The nurses want a seat at the table and to be part of this "single point of political power." (<https://medium.com/@DavidGCrane/the-real-reason-behind-the-ca-single-payer-proposal-60adb14eb555>)
- Government-run health care systems struggle to provide timely care and the latest technology because health care funds must compete with other claims on government funds, such as education, welfare, water and transportation infrastructure. Citizens in countries with single-payer models often wait months to see a doctor or specialist or to receive much-needed medical treatment. These other country's plans also permit private insurance and do not cover many benefits such as prescriptions, vision, dental, long-term care. (Source: The Senate Appropriations analysis 5/22/2017 notes at least 3 issues that will have to go to voters to overturn (Gann limit and Prop 98 and Prop 30 of 2012))

Single payer comes with an initial price tag of at least \$400 billion per year, passed onto California businesses and citizens. This is not only a profound job killer – it places an immense new tax burden on hardworking individuals and families. With Covered California, the state can create a system that expands coverage to all Californians in a market-based approach. That is what California citizens want from their elected officials, not a government-run, government-dispensed health care system. We look forward to working with lawmakers on solutions that provide high quality, comprehensive and affordable health care for all Californians."

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***About California Association of Health Underwriters (CAHU)***

CAHU works closely with legislators and government agencies at both the state and federal level by educating our government leaders about the healthcare delivery system and the vital role of a professional agent as a consumer resource and advocate. We have been instrumental in protecting California consumers through a very dynamic grassroots network that includes organized events and lobbying, as well as in-district activities with our elected legislators. We also work diligently with Covered California to ensure the best possible outcomes for Californians, and their leadership frequently cites our input and impact. For more information go to [www.cahu.org](http://www.cahu.org).