

**Select Committee on Health Care Delivery Systems and Universal Coverage Final Report  
Summary:**

**A Path to Universal Coverage and Unified Health Care Financing in California**

Implementing universal health coverage in California would require a lot of legal changes federally and within the state, which are currently harder to reach than ideally. It is also risky to transition over 90% of the State's residents to a universal coverage system without there being a framework that is guaranteed to work. However, the State can take certain short term steps to help establish a longer term roadmap to achieve universal coverage. The following steps would improve coverage, affordability, access, fragmentation and transparency issues currently faced by the state.

*Improve coverage by using state funds to:*

- Expand Medi-Cal Coverage to income-eligible undocumented adults
- Extend Covered CA premium tax credit assistance to undocumented individuals
  - State can use funding to provide Covered CA subsidies to undocumented individuals, either at the full income range (138% to 400% FPL) or lower range (138% to 200% FPL)

*Improve affordability:*

- Address affordability and participation for those already eligible for Medi-Cal and California
  - Build on outreach efforts
  - Enhance coordination between Covered CA and Medi-Cal to minimize disruptions in coverage
  - Reduce financial barriers to coverage by further subsidizing premiums and/or cost-sharing for those who qualify and/or create subsidy support for those over 400% FPL
  - Implement state individual mandate (would generate state revenue and would incentivize young, healthy adults to obtain coverage).
- Limit out-of-network prices for hospitals benchmarked to a specific ratio of the price paid by Medicare for similar services
  - This would result in lower premiums for employers and employees. Adjustment would be difficult for hospitals so a phase-in can be considered.

*Improve access and continuity of care:*

- Increase the amount of Medi-Cal payment rates
  - Would have significant impact on state budget so can be scaled in amount and targeted to selected services, to start (i.e. make primary care a priority)
- Explore a Medicaid public option

**Select Committee on Health Care Delivery Systems and Universal Coverage Final Report**  
**Summary:**

**A Path to Universal Coverage and Unified Health Care Financing in California**

*Improve access and continuity of care continued):*

- Develop a comprehensive strategy to address health care workforce needs that better develops and sustains the primary care workforce and addresses gaps in rural areas.
  - Need to utilize incentives to overcome market forces that discourage physicians and other clinicians from specializing in primary care and practicing in underserved areas, potentially by including incentives to:
    - Ensure that physician training pipeline includes individuals who are interested and prepared for these roles
    - Reduce financial and practice barriers for individuals to enter in these roles
    - Through physician payment policies which can sustain them in these roles over time
- Address regulatory and reimbursement issues related to the use of telehealth

*Simplify the consumer choice process* by requiring each fully insured product in the large group market to be either a bronze, silver, gold or platinum plan as defined by Covered CA

- Making plans available to employees uniform would shift competition to price and quality, and eliminate ability of insurers to fashion benefit packages in an attempt to avoid high cost enrollees.
- Uniformity would eliminate ability of employers to experiment with innovative coverage options, copayment and deductible structures.
- Uniformity would ease transition to a uniform benefit package under unified public financing, however.

*Increase transparency:*

- Require hospitals and larger medical groups to post information on the average prices received from people covered by employer-sponsored insurance (ESI), Covered California, Medicare and Medi-Cal
  - More transparency might lead to community pressure on hospitals and medical groups to limit their prices, would help inform the potential transition to uniform financing under unified public financing
  - Could also encourage low-priced providers to negotiate harder

**Select Committee on Health Care Delivery Systems and Universal Coverage Final Report**  
**Summary:**

**A Path to Universal Coverage and Unified Health Care Financing in California**

*Increase transparency (continued):*

- Establish an all-payer claims database
  - Could take a few years before an APCD is fully operational and might be limited by ERISA
  - Would help universal coverage and is valuable to monitor the cost and quality of care produced by health systems, and to working with systems to improve cost and quality
  - Requires resources from state, health insurers, and establishment of privacy protections

Additionally, CA Legislature can establish a planning commission responsible for advancing progress toward universal health coverage. The commission would:

- Convene a stakeholder engagement and analytic process by which key design features are refined and vetted;
- Establish data collection and reporting efforts to support management, evaluation, transparency and public accountability;
- Model state budgetary implications and assess options for raising and managing funds;
- Make recommendations to the Legislature on the design of a system of unified public financing and work with the Legislature to draft necessary state enabling legislation and any necessary ballot propositions
- Ready the state to seek federal waivers and statutory changes by which funds managed by the federal government but used on behalf of CA which can be consolidated with other funds
- Explore operational requirements related to information technology and financial management
- Establish partnerships to coordinate activities with nongovernment entities

\*\*\*The final report can be found [here](#).