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San Francisco Health Care Plan Nearly a Reality for 80,000 Uninsured

by Mike Hall, Jul 18, 2006

More than 80,000 San Franciscans who have no health insurance likely will have access to affordable, quality health care under the city's new Health Care Security Ordinance—a precedent-setting measure the city's Board of Supervisors is expected to pass later today. The bill won committee-level approval yesterday.

The San Francisco Labor Council and the area's union and community activists helped build the overwhelming public and political support for one of the most comprehensive health care measures enacted by local or state governments.

The San Francisco plan is one of many local and state approaches to address the nation's health care crisis—including the AFL-CIO's Fair Share Health Care campaign—which the Bush administration and Congress have let spiral out of control through inaction.

The new program offers comprehensive health care services to uninsured San Franciscans and their employers at a reasonable cost, with subsidies for small and medium-sized businesses and low- and moderate-income individuals.

The ordinance splits the costs among employers, employees and the city. Unlike the recently passed legislation in Massachusetts that forces individuals to buy coverage or face fines and higher taxes, individual participation is voluntary.

The Massachusetts law also has little disincentive to preventive employers from dropping health insurance for their workers thus forcing the workers to buy their own coverage, costing as much as \$600 a month according to some estimates.

To prevent employers from eliminating coverage, the San Francisco health care initiative establishes a minimum health care spending requirement for businesses in the city, depending on the number of employees.

As Glen Rosselli, a former under secretary of the state's Health and Human Service Agency, writes in a recent San Francisco Chronicle column:

...a minimum health-care spending requirement is absolutely necessary to slow the erosion of employer-sponsored coverage, protect the public health-care system from being flooded, and level the playing field for employers who are doing the right thing.

Last fall, the San Francisco Labor Council and other union groups were part of the Universal Health Care Council created by Mayor Gavin Newsome to help develop an answer to the city's growing health care crisis.

Rosselli writes there has been "a failure of leadership in Washington" in addressing the nation's serious health care problems, including the more than 45 million people with no health insurance, soaring health care costs and more and more employers dropping health care coverage for their workers.

Even Big Business leaders—a group that adamantly opposed President Bill Clinton's comprehensive health care reform efforts in the 1990s—are calling for government help. Last week General Motors Corp. Chairman and CEO Rick Wagoner told a Senate committee it's time for the federal government to consider a number of reforms to deal with mounting health care costs. But Wagoner did not endorse a universal health care system.

In many cases, workers at large profitable companies such as Wal-Mart cannot afford the health insurance offered by their employers and are forced to turn to public health care programs, forcing taxpayers to foot the bill.

In the past year, as part of the AFL-CIO's Fair Share Health Care campaign, grassroots union activists in more than 30 states mobilized for Fair Share Health Care legislation. In general, the legislation requires large corporations to spend a certain percentage of their payroll to provide health care benefits for their employees or pay into a state Fair Share Health Care Fund. The percent of payroll employers would be either set by the state legislature or set based on the average percentage paid by large employers in the state.

In Wisconsin, where union members are working to pass comprehensive bipartisan legislation, Wisconsin State AFL-CIO President David Newby says:

employer-provided health insurance in the United States is breaking down, and we are close to the point that neither workers nor employers can afford the cost. And 46 million Americans have no health insurance at all.

Newby says the Wisconsin plan:

will control and reduce costs, keep quality health care affordable and establish a level playing field for employers by requiring that all pay their fair share.

Source: AFL-CIO Now Blog

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