

1 [Supporting Senate Bill 840]

2

3 **Resolution supporting Senate Bill 840 (Kuehl), The California Health Insurance**
4 **Reliability Act of 2005.**

5

6 WHEREAS, The California Health Insurance Reliability Act, also known as SB 840
7 (Kuehl) or CHIRA, will provide comprehensive health insurance coverage to all Californians
8 while protecting the right to choose one's own physician; and,

9 WHEREAS, Approval of SB 840 will provide reliable health care coverage in which
10 eligibility is based on residency, instead of on employment or income, and all residents are
11 covered; and,

12 WHEREAS, No California resident will ever again lose his or her health insurance
13 because of unaffordable insurance premiums, when they change or lose a job or
14 graduate from college, or because they have a pre-existing medical condition; and,

15 WHEREAS, Funding for SB 840 involves no new spending on health care and is by
16 federal, state and county monies already being spent on health care and by affordable
17 insurance premiums that replace all premiums, deductibles, out-of-pocket payments and
18 co-pays now paid by employers and consumers; and,

19 WHEREAS, SB 840 is more efficient, eliminating waste by consolidating the functions
20 of many insurance companies into one comprehensive insurance plan, saving the state
21 and consumers billions of dollars each year; and,

22 WHEREAS, SB840 is based on a model that has been estimated to save
23 California about \$20 billion through reduced administrative costs in the first year alone;
24 and,

25

1 WHEREAS, Under SB 840, California will use its huge purchasing power to buy
2 prescription drugs and durable medical equipment in bulk, using full purchasing power
3 to negotiate the deepest savings; and,

4 WHEREAS, This model of system wide bulk purchasing could save California
5 \$5.2 billion in the first year; and,

6 WHEREAS, SB 840 will make our health care system more reliable and
7 secure by stabilizing the growth in health spending; and,

8 WHEREAS, Linking spending increases to state Growth Domestic Product and
9 population growth, employment rates and other relevant demographic indicators; and,

10 WHEREAS, SB 840 will combine needed cost controls with medical standards that
11 use the best available medical science, and place an emphasis on preventative and
12 primary care to improve California's overall health in a way that also saves billion of
13 dollars; and,

14 WHEREAS, SB 840 consumers have total freedom to choose their personal
15 primary care provider, and health care providers and facilities will receive fair reimbursement
16 for all covered services they provide; and,

17 WHEREAS, SB 840 utilizes proven financial incentives that support the delivery of
18 high quality care, including bonuses for providers working in rural or under served
19 areas, and meets needed health care infrastructure such as electronic claims and
20 reimbursement systems and statewide medical; and,

21 WHEREAS, Coverage includes all care prescribed by a patient's health care
22 provider that meets accepted standards of care and practice, including hospital, medical,
23 surgical, and mental health, dental and vision care prescription drugs and medical equipment,
24 such as hearing aids, emergency care, skilled nursing care after hospitalization, substance
25 abuse recovery programs, health education and translation services, including services for

1 those with hearing and vision impairments, transportation needed to access covered
2 services, diagnostic testing, and hospice care; and,

3 WHEREAS, SB 840 is on file with the Clerk of the Board of Supervisors in File No.
4 060805, which is hereby declared to be a part of this resolution as if set forth fully herein; and

5 WHEREAS, SB 840 offers California a broad and clear vision for a remodeled
6 health care system that will provide high quality, affordable and reliable health care for
7 all residents; now, therefore, be it

8 RESOLVED, That the City and County of San Francisco Supports SB 840 and thanks
9 the members of the state legislature who have sponsored this critical bill; and, be it

10 FURTHER RESOLVED, That the board directs the clerk to send a copy of this
11 resolution to our state legislative delegation.

12

13

14

15

16

17

18

19

20

21

22

23

24

25