



Escondido Area VOTER

SAN DIEGO NORTH COUNTY, CENTRAL

April, 2007

LWV of Escondido Area

Serving the communities of Escondido, Fallbrook, Pala, Pauma Valley, Rainbow, Ramona, San Marcos and Valley Center

CALENDAR OF UPCOMING EVENTS

Board Meetings are generally held on the second Saturday of every month. All members welcome.

April 14, 2007: Board Meeting:

Escondido Public Library, .248 S.Kalmia
10:15 AM to 12:00 noon.

President:
JUNE RADY

Vice President/Administration:
ELIZABETH GABRYCH

Secretary:
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ARLENE MEADOWS

Education:
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Natural Resources:
YOLANDA FLEET

Health Issues:
LORRAINE BOYCE

Voter Service:
PATRICK COONY
Asst: ALLEN LENEFSKY

Voter Editor:
MARGARET LILES

Honorary Director:
HELEN POLATCHEK

Directors Emeritus in Perpetuity:

ELIZABETH KORNHAUSER
1908-1998

MARGE WEST
1928-2006

League voicemail:
760 599-3211



The League of Women Voters
Of Escondido and Neighboring Communities

PUBLIC FORUM

ENERGY AND ECONOMY

Least Cost Strategy for Achieving Electricity Supply and Price Security

in San Diego County

Jim Bell, Author, Activist and International recognized expert on Life-support sustaining development

Jim Bell's projects include the design and construction of the San Diego Center for Appropriate Technology and Ecoparque, a prototype wastewater recycling plant in Tijuana Mexico that converts sewage into irrigation water and compost. He also worked as a consultant for the Otay Ranch Joint Planning Project and the East Lake Development Company. He has served as ecological designer for a life-support-friendly hotel for Terra Vista Management and for the recently completed Ocean Beach People's Food Cooperative's new "green" store. Jim has more than 40 years experience in the design and construction industry.

MARK YOUR CALENDARS
SATURDAY, APRIL 28, 2007
10:00 AM to 12:00 NOON

JOSLYN SENIOR CENTER'S
DOROTHY BOEGER BUILDING MEETING RM
210 East Park Avenue, Escondido, CA 92025

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CALENDAR OF UPCOMING EVENTS CONTINUED:

May 12, 2007: Women's Club and Escondido Citizens Ecology Committee Environmental Day
Escondido Women's Club
9:00 AM – 1:00 PM

June 9, 2007: Annual Meeting
9:00 AM – 1:00 PM

June 16, 2007: County Council
Channel 10 Studios, San Diego

July 10, 2007: Community Forum on Health Care, "Is Single Payer the Answer?"
co-sponsored with the AAUW.
East Valley Parkway Community Center.
2245 East Valley Parkway, Escondido
6:30 PM – 8:30 PM

Aug. 25, 2007: County League Day: League Matters
University Town Center Community Room

(No Board meetings will be held in July, August)

Sept. 8, 2007: Board Meeting:
Escondido Public Library, .248 S.Kalmia
10:15 AM to 12:00 noon.

VISIT OUR WEBSITE:

<http://escondido.ca.lwvnet.org>

HEALTH INSURANCE PLANS: PROS AND CONS

By Ursula Rolfe, LWV Berkeley

The dismal state of our health care system has led to a flurry of plans to improve access to affordable health insurance:

On the national scene, President Bush advocates leaner health insurance policies with high deductibles as a way to limit excessive spending on health care. His plan proposes a change in tax structure that would discourage employer-provided health insurance and encourage individuals to purchase policies with high deductibles, thus reducing "excessive" consumption of health care services. Also nationally, Representative John Conyers has reintroduced a bill, HR676 ("Improved and Expanded Medicare for All") into Congress. This is a single-payer health insurance bill and, as of January 24, 2007, already has 42 co-sponsors.

In California, Senator Sheila Kuehl, Senator Don Perata and Speaker Fabian Nunez have each proposed a plan to sharply reduce the number of uninsured (6.5 million) in California. In addition, at his "State of the State" address, Governor Schwarzenegger unveiled his plan for universal health insurance for all Californians, including undocumented residents.

OVERSIGHT, IT'S IMPORTANT

You could be a part of keeping public officials on their toes.

You could become an observer for the League. It's easy, interesting, and often very entertaining.

If you are interested in becoming an observer, please call Margaret Liles at 760 749-9513, or e-mail her at

mmiles@aol.com.

Of these four proposals, only Senator Kuehl's bill "California Health Insurance Security Act, SB840", would provide truly universal coverage, which would be continuous, comprehensive and affordable to individuals, families, businesses, and to the state. This plan replaces all the many health insurance companies and their 6,000 plans with a state-administered health insurance plan available to all California residents. Funding for this plan would be from premiums paid by employers and individuals, and by incorporating federal and state moneys presently expended by Medicare, Medicaid, Healthy Families and other programs.

Patient benefits in the Kuehl bill are comprehensive, and include outpatient and in-hospital care, dental, mental health, vision care, prescription drugs, durable medical equipment such as hearing aids and prostheses, as well as other legitimate medical needs. There would be no exclusion for "pre-existing conditions" and no deductibles, and patients would have free choice of physician and hospital, or would be able to enroll in integrated health programs providing both features, such as Kaiser Permanente.

The Kuehl bill would offer large savings over present costs by replacing the huge expenses of administering and marketing the 6,000 different health plans presently available in California with one comprehensive plan and one single payer. Price negotiations for pharmaceuticals and durable medical equipment would net additional savings. Businesses would benefit by reduced health insurance costs compared with present ever-inflating health insurance policies, thus increasing their competitiveness especially on the international market. As this article goes to press, this bill is scheduled to be reintroduced in the California State Senate on February 27.

The other California proposals, Perata's, Nunez's and Governor Schwarzenegger's ("P, N, G") have several features in common. Although none of them provides affordable, comprehensive insurance to all, each proposal contains some improvements over the present situation. Unfortunately, some features – such as the mandate that all individuals not covered by their employers or by state programs purchase insurance – would make matters worse because of the underinsurance which would result from policies with large deductibles and large co-payments, which also confer inadequate benefits. For example, a policy which would be affordable to those with limited income might carry with it an annual \$5,000 deductible and \$10,000 in "out-of-pocket" expenses. Such policies could cause even moderate income people to forgo seeking needed medical care and could also delay the purchase of prescribed medication.



Nevertheless, all three P, N, G plans do offer some improvements over present conditions. All three plans would significantly **decrease the number of uninsured**. The Perata and Nunez bills strive to cover all employees and their dependents. The Governor's plan claims that coverage would be universal; however, the plan relies on counties to insure undocumented adults, without providing additional funds to do so. In addition, individuals and families with incomes above 250% of the Federal Poverty Level (FPL), who are required to purchase insurance, may not be able to find affordable policies on the open market, since insurance companies are free to determine premiums. All three plans would make all children in families earning less than 300% of the FPL eligible for MediCal or the Healthy Families program. The Governor's proposal states explicitly that this applies to undocumented as well as documented children. The governor's plan would make adults earning less than 100% of the FPL eligible for MediCal. All three plans would establish a state trust fund which would offer insurance plans, negotiated with private insurance companies, to some low income Californians. Participating plans would be required to offer policies with designated benefits and limited administrative expenses.

The three P, N, G plans have an **employer mandate** in which employers must provide health insurance to their employees or pay into a state fund. The extent of this requirement varies considerably between plans. The Nunez plan requires employers with two or more employees to purchase insurance for employees and dependents, whereas the Governor's plan applies only to employers with ten or more employees (20% of businesses). Perata's employer mandate requires that employers pay an as-yet-to-be-determined percent of payroll for health insurance for employees and their dependents, or pay an equivalent amount into a state trust fund.

All three plans place some **new limits on insurance companies**. Perata's and the Governor's plans require insurers to offer "guaranteed issue", which would not allow exclusions for "pre-existing conditions." Nunez limits such exclusions to specified serious medical conditions. The Governor's plan also requires use of modified community ratings, which prohibit increased premiums for high risk individuals, but allow different premiums based on regional factors, age and sex.

All three P, N, G plans also would limit the percentage of premiums that may be used for administrative and other non-medical expenses. The Governor's plan specifies that the maximum deductible will be \$5000 and "out of pocket" limited to \$7500 per individual and \$10,000 per family. Nunez' AB13 would require all insurance companies to offer 3 plans with benefits designated by the California Cooperative Health Insurance Purchasing Program, an agency established under the bill, which would enable informed comparison shopping for consumers. Insurance companies would be able to offer additional packages with different benefit levels.

Among the **deleterious aspects** of the P, N, G plans the most egregious is the **individual mandate**, which forces an uninsured Californian to purchase health insurance without regard to affordability or coverage offered. The Governor's plan places no limits on premiums that insurance plans may charge, and allows inadequate "bare bones" coverage. Thus individuals and families earning more than 250% of FPL, forced to purchase a "cheap" policy, would be saddled with huge deductibles and a dearth of benefits, or be criminalized by breaking the law.

The Governor's plan also encourages the purchase of "Health Savings Accounts" which are available only when accompanied by a high-deductible insurance policy. High-deductible insurance policies enable

insurance companies to shift significant costs of health care to consumers, who will then refrain from getting needed medical care, and defer purchase of prescribed medication, even if they have a Health Savings Account. Among other steps backward is the likelihood that employers will choose to pay the much less costly required state contribution in lieu of purchasing insurance for their employees. This would force many workers to purchase individual policies on the open market, most likely resulting in higher costs and fewer benefits.

Governor Schwarzenegger's plan is so far the most specific about financing, raising many additional concerns: his funding proposal would "redirect" \$2 billion from county funds, thus endangering the safety net, and would collect \$3.5 billion in new "fees" from hospitals (4% of total gross revenue) and from health providers (2% of total gross revenue). **Designating these charges as "fees" enables the Governor to claim that he is not proposing any new taxes, thereby enabling a bill to be passed by a simple majority rather than by the two-thirds vote needed for new taxes.** Since many hospitals and health providers are already struggling to stay afloat and can ill afford such additional expense, these providers would most likely adjust their charges to meet the new expense, thus passing these expenses on to consumers. The Governor's proposal also decreases "regulatory barriers" that specify qualifications for health providers, and would reduce "excessive reporting requirements," possibly reversing hard-won consumer protections.

LEAGUE MATTERS

Mark Your Calendars

The County League of Women Voters is planning programs for **County Council on Saturday, June 16 and County League Day on Saturday, August 25th**, which will also serve as a celebration of the 87th anniversary of the final passage of the 19th Amendment giving women the right to vote in 1920. In addition, August 26 was proclaimed Women's Equality Day by President Jimmy Carter in 1971 to encourage women to continue their fight for equality. The County League is hoping for a large gathering of members and their guests on both occasions.

Women have gone from being chattel to CEO's in 87 years, so it is time to pat each other on the back. To contact the planning committee, email Lisa Hamann, Chair at lhamann@ibswb.com,

Support your local League
Make your tax-deductible
contribution to our League's
Education Fund.

Contributions should be made out to the
**League of Women Voters
Education Fund**
and sent to

**League of Women Voters
P.O. Box 921, Escondido
CA 92033.**