

SB 810 – LEGISLATIVE COUNSEL’S DIGEST
As of Last Amendment January 13, 2010

BILL NUMBER: SB 810 AMENDED BILL TEXT AMENDED IN
SENATE JANUARY 13, 2010 AMENDED IN SENATE APRIL 23, 2009
INTRODUCED BY Senator Leno (Principal coauthor: Senator
Alquist) (Principal coauthors: Assembly Members Ammiano,
Huffman, and Yamada) (Coauthors: Senators Cedillo, Corbett,
DeSaulnier, Florez, Hancock, Lowenthal, Oropeza, Padilla,
Pavley, Price, Romero, Steinberg, Wiggins, and Yee)
(Coauthors: Assembly Members Bass, Beall, Block, Blumenfield,
Bradford, Brownley, Chesbro, Coto, Davis, De La Torre, Eng,
Evans, Feuer, Fong, Hayashi, Jones, Lieu, Bonnie Lowenthal, Ma,
Mendoza, Monning, Nava, ~~Price,~~ Ruskin, Salas, Skinner, Solorio,
Swanson, Torlakson, and Torrico)
FEBRUARY 27, 2009 An act to add Division 114 (commencing with
Section 140000) to the Health and Safety Code, relating to health
care coverage. LEGISLATIVE COUNSEL'S DIGEST SB 810, as
amended, Leno. Single-payer health care coverage. Existing law
does not provide a system of universal health care coverage for
California residents. Existing law provides for the creation of
various programs to provide health care services to persons who
have limited incomes and meet various eligibility requirements.
These programs include the Healthy Families Program administered
by the Managed Risk Medical Insurance Board, and the Medi-Cal
program administered by the State Department of Health Care
Services. Existing law provides for the regulation of health care
service plans by the Department of Managed Health Care and health
insurers by the Department of Insurance. This bill would
establish the California Healthcare System to be administered by
the newly created California Healthcare Agency under the control
of a Healthcare Commissioner appointed by the Governor and
subject to confirmation by the Senate. The bill would make all
California residents eligible for specified health care benefits
under the California Healthcare System, which would, on a single-
payer basis, negotiate for or set fees for health care services
provided through the system and pay claims for those services.
The bill would provide that a resident of the state with a
household income, as specified, at or below 200% of the federal
poverty level would be eligible for the type of benefits provided
under the Medi-Cal program. The bill would require the
commissioner to seek all necessary waivers, exemptions,
agreements, or legislation to allow various existing federal,
state, and local health care payments to be paid to the
California Healthcare System, which would then assume
responsibility for all benefits and services previously paid for
with those funds. The bill would create the Healthcare Policy
Board to establish policy on medical issues and various other
matters relating to the system. The bill would create the Office
of Patient Advocacy within the agency to represent the interests

of health care consumers relative to the system. The bill would create within the agency the Office of Health Planning to plan for the health care needs of the population, and the Office of Health Care Quality, headed by a chief medical officer, to support the delivery of high quality care and promote provider and patient satisfaction. The bill would create the Office of Inspector General for the California Healthcare System within the Attorney General's office, which would have various oversight powers. The bill would prohibit health care service plan contracts or health insurance policies from being issued for services covered by the California Healthcare System. The bill would create the Healthcare Fund and the Payments Board to administer the finances of the California Healthcare System. The bill would create the California Healthcare Premium Commission (Premium Commission) to determine the cost of the California Healthcare System and to develop a premium structure for the system that complies with specified standards. The bill would require the Premium Commission to recommend a premium structure to the Governor and the Legislature on or before January 1, ~~2012~~ 2013 , and to make a draft recommendation to the Governor, the Legislature, and the public 90 days before submitting its final premium structure recommendation. The bill would specify that only its provisions relating to the Premium Commission would become operative on January 1, ~~2010~~ 2011 , with its remaining provisions becoming operative on the date the Secretary of California Health and Human Services notifies the Legislature, as specified, that sufficient funding exists to implement the California Healthcare System. The bill would require that system to be operative within 2 years of that date and would provide for various transition processes for that period. The bill would extend the application of certain insurance fraud laws to providers of services and products under the system, thereby imposing a state-mandated local program by revising the definition of a crime. The bill would enact other related provisions relative to budgeting, regional entities, federal preemption, subrogation, collective bargaining agreements, compensation of health care providers, conflict of interest, patient grievances, independent medical review, and associated matters. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason. Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.