

Healthcare Facts



California's Growing Healthcare Crisis

- Number of uninsured in California — 6.6 million (*Los Angeles Times*, Oct. 6, 2005). The number of uninsured Californians was expected to grow by 20% from 2005–2010 (*UC Berkeley Center for Labor Research and Education study, Los Angeles Times, June 2, 2005*)
- Three-fourths of the uninsured non-elderly Californians are in working families. Over 80% of uninsured employees have no access to employment based insurance because they did not work for an employer who offered benefits or were not eligible for benefits from their employer (*UCLA Center for Health Policy Research, February, 2005*)
- Almost 5 million of California's uninsured make less than 300% of federal poverty level, less than \$60,000 for a family of four (2003). The typical cost of health coverage — \$10,000 to \$12,000 per family, or about half what a full-time worker at minimum wage earns in a year. Paying up to \$12,000 a year for health insurance would force many to make serious cuts in other areas, such as housing or food.
- California ranks 46th in the nation in the percentage of uninsured, 41st in the percentage of children who are fully immunized, and 41st in the per capita number of cases of infectious disease (*"America's Health Rankings" compiled by the United Health Foundation, 2006 edition*).
- About 34% of spending on health care in California goes to administrative costs, according to a study by the Institute of Health Policy Studies at UC San Francisco. Of that figure, 21% is spent on private insurance billing-related tasks including health plan profits, at an annual cost of \$26 billion, and 13% on other non-billing administrative tasks (*Health Affairs, November/December 2005*)
- From 2000 to 2004, the overall percentage of adults with employer-based coverage declined from 61% to 58%. The percentage of California full-time workers making \$9–\$11 an hour with employer based coverage dropped from more than 59% to 46%, compared to a national decline from 64% to 58% (*UC Berkeley Labor Research and Education study, Los Angeles Times, June 2, 2005*)
- Some California insurers sell policies that require members to go to Mexico for care where costs are 40% lower. Some 160,000 have cross-border coverage, mainly Mexicans legally employed in the U.S. in agriculture, hotels, retail, local government. Monthly premiums \$100 for individuals, \$350 for families in Blue Shield "Access Baja" plan. (*Los Angeles Times, Aug. 25, 2005*)
- Health insurance premiums in California rose 61% from 2000 to 2004. California families pay \$1,500 more per year than the rest of the country for PPOs (preferred provider organizations). (*Report by then-Insurance Commissioner John Garamendi, reported, Oakland Tribune, Aug. 4, 2005*)
- A single-payer plan in California would save \$344 billion over 10 years even while providing coverage to all state residents. (*Lewin Group study, February, 2005*)



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