

CALIFORNIA LEGISLATIVE UPDATES

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California's Proposed Landmark Health Care Reform Measure Is Dead

Michael Martinez

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ABX1 1 (Núñez) – The Health Care Security and Cost Reduction Act – failed in the Senate Health Committee earlier today with only 1 AYE vote, 7 NOES and 3 ABSTENTIONS.

California Assembly Speaker Fabian Núñez declined to accept reconsideration of his bill by the Senate Health Committee, essentially killing this bill for the year.

The hearing was tense, with Speaker Núñez posing a challenge to the Committee members to come up with their own health care reform proposal that could ensure medical coverage for millions of uninsured Californians, provide a means of funding the extraordinary costs of expanding coverage, and still attract the support of Republican Governor Arnold Schwarzenegger and a majority of the Democrat-controlled Legislature.

Most Democratic Senators on the Committee expressed major concerns with the implementation of the bill's provisions in light of the state's \$14.5 billion budget shortfall and the Governor's recently released budget reduction proposals that they believe will negatively impact existing state Health and Human Services Agency programs and services. Senators expressed many concerns, including raising questions about the bill's insurance coverage mandate, a controversial exemption clause, and the inability to amend ABX1 1 given the short timeframe available to collect signatures to qualify the financing aspect of the measure for ballot consideration by voters. Committee members, both Democratic and Republican, stated that the debate over health care needs to continue this year and beyond to find a solution that can work for all.

Barring any unforeseen changes in the Senate, ABX1 1 is now essentially "dead." However, Manatt will continue to monitor the legislative process to see if ABX1 1 comes back in one form or another.

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