

*I hope to give you a different way of looking at health care financing by urging you to stop thinking about SB631 as a single payer bill. Instead, I encourage you to focus on the single risk pool.*

*At the core of our current health care crisis is the undeniable truth that over half the money "we" spend on health care is public money and we are getting very poor value for it. Aside from spending far more money on health care than other developed countries our current non-system absolutely excels in one other manner. We are best and extremely efficient at dividing our population into risk pools, which is the focus of this presentation...so let's look at the easily characterized, broad risk pools.*

*First, there's **Medicare**, which finances the health care needs of our elders and the disabled, both of which are inherently expensive. The taxpayer pays these bills. Then there is **Medicaid**, which finances the needs of the poorest. As you may know, poor people are not as healthy as those with financial resources for sundry reasons having to do with environment, education, and stress, that makes their care more expensive and the taxpayer pays these bills as well. Then there are **Native Americans**, with a special set of problems also financed by taxpayers. And then there are the Active Military and Vets, who may have serious, complicated, and expensive medical problems that the taxpayer clearly has an obligation to pay, and does.*

*What about the rest of our population? They are primarily employed people and their families who either purchase insurance through the healthcare exchange or get insurance from their employers. Those who are low income get their premiums **subsidized** by the taxpayer. Similarly, since employers deduct the cost of employee healthcare, this too is **subsidized** by taxpayers in the form of uncollected taxes.*

*And what about those who fall through the cracks, including, among others, immigrants? Without insurance, they may not be able to afford routine care, but when they get sick and show up in our emergency rooms, guess what? We take care of them, both because it's the right thing to do and it's illegal to turn them away. And when they end up in the ICU for problems that could have been more cheaply cared for earlier, and they can't pay their bill, who pays? We all do in the context of higher hospital fees to subsidize those who can't pay.*

*So this is what the financing "system" look like. The taxpayer pays for all the costly risk pools while the taxpayer subsidizes for-profit and nominally not-for-profit insurance companies who care for the least expensive. And what do we get for slicing and dicing our people into risk pools? It's estimated that the administrative expensive of servicing all those hundreds of health insurance companies adds 20% to our total health care bill*

*with little if any added value. At best, I would say taxpayers are getting a pretty bad deal. At worst, I would say it's a massive taxpayer rip-off.*

*At its core, SB631 is about putting everybody in one single risk pool. Without changing the total amount of money we spend on health care, the immediate savings would be available for caring for people.*

*I know there is a lot of fear of more government involvement in health care financing, but we are already all paying for everybody anyway. We should get over it, design a real system that reflects this reality, and put everybody in the same publicly financed risk pool. That's what SB631 does. Please support it.*