



California Initiative for Health Equity & Action (Cal-IHEA)

Briefing Proceedings

Affordable Healthcare for All: Research and Policy Insights

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Executive Summary

On October 22nd, 2024, the [California Initiative for Health Equity & Action \(Cal-IHEA\)](#) convened a panel of experts from UC Berkeley, the California Black Health Network (CBHN), and the Los Angeles County Department of Public Health (LACDPH) to present and discuss research and policy related to **healthcare affordability** in California. The event was moderated by Cal-IHEA Faculty Associate, Dr. Dylan Roby from UC Irvine, with legislative remarks provided by California State Senator Josh Becker. The objective was to provide a timely update, data, and resources on healthcare affordability and related equity issues with actionable insights from policymakers, scholars, community leaders, and local health departments.

Watch the [webinar recording here](#).

Background

California has been leading efforts to improve healthcare affordability for all. Yet, high medical costs, administrative inefficiencies, systemic healthcare inequities, loss of coverage, and financial barriers continue to contribute to affordability issues for multiple stakeholders and patients, particularly those who are uninsured or underinsured.

Health coverage plays an important role to improve health care access and protect individuals from high medical costs.¹ Among insured Californians, 47% are insured through their employer, 27% are Medicaid beneficiaries, 12% are Medicare beneficiaries, and 6.9% have non-group insurance.² In recent years, employers and those insured through their employer (nearly half of insured Californians) have seen steep increases in premium costs.^{3,4} **Nearly 1 in 10 individuals in the state remain uninsured – they have the highest risk of medical bankruptcy if they encounter a healthcare emergency or need.** U.S. residents without legal citizenship status remain the largest uninsured group.⁵

High healthcare costs that are not affordable are associated with numerous problems, including delays in obtaining necessary medical care, reduced access to quality care, and decreased access to preventive services.⁶ A 2022 CHCF survey revealed 84% of Californians say making healthcare affordable is “extremely” or “very important.” 1 in 4 Californians report they or a family member struggled to pay medical bills, and half of Californians (51%) were worried about the cost of health insurance premiums.⁷

While the 2010 Patient Protection & Affordable Care Act (ACA) made considerable progress toward achieving universal coverage, there were gaps, including a lack of coverage for those without legal citizenship status. Nationwide, over 1.6 million adults are uninsured since they are not eligible for Medicaid and do not to qualify for ACA marketplace subsidies.⁸ Although California has seen considerable coverage gains with the ACA (including Medicaid expansion), and state legislation to cover other uninsured groups, **medical debt continues to be a significant problem.** An estimated 36% of California adults report having medical debt. Latino/x (52%) and Black (48%) Californians are more likely to report having medical debt compared to White Californians (28%), with additional disparities for those who speak Spanish or lack a primary care provider.⁹

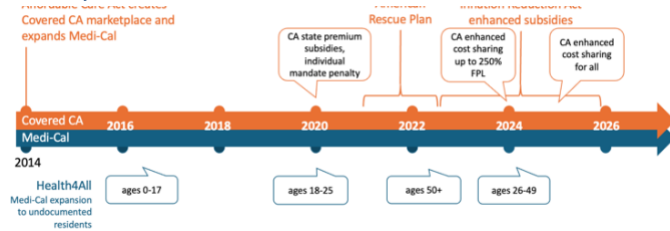
Legislative Remarks: State Senator Josh Becker, District 13

Senator Josh Becker began his legislative remarks by highlighting key affordability and value issues for the U.S. healthcare system, which has among the highest medical expenditures yet continues to perform poorly on several population health outcomes compared to similar countries. Senator Becker also mentioned medical debt concerns. In 2024, he co-authored [California Senate Bill \(SB\) 1061](#) (lead author: Senator Monique Limón) to help reduce the negative impacts from medical debt on Californians’ credit reports. SB 1061 was signed into law in October 2024 with key stipulations effective July 1, 2025. Specifically, the law will prohibit medical debt contracts from being reported to consumer credit reporting agencies.

Panelist 1: Miranda Dietz, MPP, UC Berkeley Labor Center

The first panelist, Miranda Dietz from UC Berkeley, presented state coverage rates and spoke about recent efforts to expand coverage and affordability with particular gains for low-income groups and those without legal documentation (see **Figure 1**). She explained how the ACA led to the development of online health

Figure 1. Health insurance expansion and affordability policies in California. Included with permission from Miranda Dietz, UC Berkeley Labor Center, 2024.



insurance marketplaces, where small businesses and individuals could buy commercial health insurance plans with subsidies to lower premium costs for qualifying individuals. The Inflation Reduction Act (IRA), which decreased coverage costs by expanding federal subsidies, and state cost-sharing reductions further improved affordability in the individual market. A [September 2024 Policy Brief](#) reports the estimated impacts of Congress not renewing IRA federal subsidies by

2025 may lead to **2.37 million Californians with higher premiums, and 69,000 may forego coverage and become uninsured.** Without these additional subsidies, it is estimated ~1.6 million Californians will pay nearly \$1000 more per year for coverage, and 740,000 without subsidies will face higher costs in 2026.¹⁰ Higher premiums also negatively impact healthcare access, as patients may avoid or delay necessary medical care to reduce costs, especially in low-income communities.¹¹

Panelist 2: Rhonda M. Smith, MBA, California Black Health Network (CBHN)

The second panelist, Rhonda M. Smith spoke about the importance of continuing to support coverage gains and described CBHN's efforts to ensure access to cost-effective, value-based care for all Californians to advance health equity. As Executive Director of CBHN, she emphasized the importance of civic engagement and highlighted the critical importance of helping patients and communities navigate the healthcare system. CBHN, a Covered California Navigator with 18 certified enrollment counselors statewide, has

“Our vote is our health.”
- CBHN Executive Director
Rhonda Smith

provided outreach, education, and navigation support to numerous Californians, resulting in 7,336 enrollments since 2015 and 1,079 alone in 2023 (renewals and new enrollments), with a majority from Southern California (~70%). She mentioned the importance of having trusted community organizations support policy implementation to expand coverage, particularly for marginalized groups with high health and social needs who may not have sufficient access to information or resources to enroll independently.

Panelist 3: Andrew Nguyen, MPH, PhD, Los Angeles County Department of Public Health (LACDPH)

The third panelist, Dr. Andrew Nguyen from LACDPH presented on medical debt disparities and local efforts to address medical debt. Dr. Nguyen highlighted the growing problem in the U.S. with ~100 million people burdened with medical debt nationwide. Medical debt disparities exist and disproportionately affects Black, Hispanic/Latino, and multiracial adults, as well as low-income families and rural areas.¹² He provided data showing people with 1+ ER visits or 1+ hospital stays were more likely to have medical debt, and **those with medical debt were 2 - 3.5 times more likely to experience food insecurity, forego necessary healthcare services or prescriptions, or be unstably housed.** In LA County, local government has partnered with a nonprofit, [UNDUE Medical Debt](#) to pay off \$5 million of existing medical debt for qualifying individuals and is expanding efforts to track and surveil [medical debt trends](#).¹³

Briefing & Evidence-Based Recommendations

- 1** Congress should retain IRA-level federal subsidies in 2025 to avoid insurance premium increases for 2.37 million Californians and coverage losses.
- 2** Expand investments in trusted community-based organizations to enroll diverse populations in health care programs and share effective strategies for outreach, education, enrollment, and post-enrollment/renewal support.
- 3** Adopt medical debt surveillance and debt reduction programs statewide and in local jurisdictions to reduce existing medical debt burdens and disparities.

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