

SJM 8006, which asks the federal government to impose a socialist health care program on all states

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Key Findings

1. **Senate Joint Memorial 8006¹ asks the federal government to enact socialized, universal health care or help Washington state implement its own.**
2. **SJM 8006 is filled with questionable, debatable, inflammatory claims that should concern lawmakers.**
3. **In other government-run systems, affordability, access and quality do not go together. Individuals' health care doesn't benefit from taking away decisions made between doctors and patients. Citizens — not governments — are the best advocates for their health care needs.**
4. **A higher tax burden makes Washington state a less appealing place to live and work.**
5. **Safety net programs rightly exist for people in need of health care services. Creating new taxes would add to the cost of living and hurt low-income workers, some of whom already benefit from taxpayer-funded health care.**
6. **Government-run health care leads to the rationing of care. Demand always outstrips supply, and patient-centered health care is not the priority.**
7. **Lawmakers should act to move personal decisions about health care away from the political process and closer to the patient. SJM 8006 asks the federal government to do the opposite**

1 Senate Joint Memorial 8006, 2023-24: <https://app.leg.wa.gov/billssummary?BillNumber=8006&Initiative=false&Year=2023>

Introduction

The state's majority party lawmakers want to impose state-based, taxpayer-financed, socialized health care on Washingtonians. In 2021, the Legislature passed Senate Bill 5399,² establishing yet another commission — a permanent one, called the Universal Health Care Commission (UHCC)³ — to look at ways to do this.

The purpose of the UHCC is both to bring about:

“... immediate and impactful changes in Washington's health care access and delivery system and to prepare the state for the creation of a health care system to provide coverage and access through a universal financing system, including a unified financing system, once federal authority has been acquired.”⁴

The UHCC cannot implement universal health care until further action is taken by the Legislature and the governor and authority concerning federal health programs is given by the federal government.

On November 1, 2022, the UHCC issued a baseline report⁵ to the Legislature and governor, as required by SB 5399. The report includes the commission's activities in its first year

2 Senate Bill 5399, 2021-22: <https://apps.leg.wa.gov/billssummary?BillNumber=5399&Initiative=false&Year=2021>

3 Universal Health Care Commission: <https://www.hca.wa.gov/about-hca/who-we-are/universal-health-care-commission>

4 SJM 8006 Senate Bill Report: <https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/Senate/8006%20SBR%20HLTC%20OC%2023.pdf?q=20230222112141>

5 UHCC Legislative Report: https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=Universal%20Health%20Care%20Commission%20Baseline%20Report%20to%20the%20Legislature_18689504-393e-48d4-a09b-f8825480d6f1.pdf

and some transitional ideas to work toward universal, taxpayer-funded health care. It also notifies lawmakers that it has created a Finance Technical Advisory Committee (FTAC) to help the commission in its work. The UHCC is aware of many federal and financial barriers to achieving a universal health care system in Washington state, which is in part why it created the FTAC .

The Senate Health and Long-Term Care Committee passed SJM 8006 on February 16 in a partisan vote of six to four, with only Democrats in favor of it.⁶

Text of Bill

Senate Joint Memorial 8006⁷ has no binding force. It asks the federal government to enact a national, socialized health care system or ease the ability for Washington state to implement its own single-payer health system.

If the federal government does not enact socialized health care, the joint memorial urges Congress to pass HR 3775.⁸ That bill, The State-Based Universal Health Care Act of 2021,

“... establishes the option for states, or groups of states, to apply to waive certain federal health insurance requirements and provide residents with health insurance benefits plans through a state-administered program. Such programs must cover 95% of the residents in the state within five years and plan benefits must be at least as comprehensive and affordable as the coverage under the equivalent federal program.”⁹

If passed, copies of SJM 8006 would be sent to the president of the United States, the Department of Health and Human Services secretary, the president of the United States Senate, the speaker of the House of

Representatives and each member of Congress from Washington state.¹⁰

Policy Analysis

Questionable, debatable statements

SJM 8006 makes broad, unsubstantiated claims about health care.¹¹ Without data, the legislation blames the current health care system for “increasing child mortality rates especially in communities with lower incomes” and “creating unnecessary suffering in entire families who struggle to maintain health care insurance coverage or recover from the impacts of health care costs up to and including bankruptcy and homelessness.”

The passionate but data-free narrative asserts,

“A national universal health care program is the most efficient and cost-effective means of providing access to health care for everyone and eliminating the economic, physical and mental health pain and suffering so many Americans are experiencing due to lack of timely access to health care and/or debt incurred.”

The text of SJM 8006 claims that a single-payer, socialized health plan in the state of Washington would “reduce financial barriers to access care and the growing number of residents with inadequate coverage” and “save money on health care.” It suggests that administrative waste will be reduced in a government-imposed, taxpayer-financed system, pointing out the layers of administrative oversight in the current health care system. The measure fails to recognize that government regulations make health care more cumbersome and expensive now, with less concern for patient-centered care.

The legislation says that our health care problems are “the result of bad institutions: Private health insurance and for-profit medicine whose financial incentives favor sickness and treatment over prevention and recovery.” After demonizing health insurers, SJM 8006 says “we can design a better system,” even though several states have tried and failed to do this. Our own Legislature has failed to enact a socialized system

6 Senate Health and Long-Term Care Committee Feb. 16, 2023, Executive Session: <https://tvw.org/video/senate-health-long-term-care-2023021348/?eventID=2023021348>

7 Senate Joint Memorial 8006, 2023-24: <https://app.leg.wa.gov/billsummary?BillNumber=8006&Initiative=false&Year=2023>

8 The State-Based Universal Health Care Act of 2021: <https://www.congress.gov/bill/117th-congress/house-bill/3775?s=1&r=12>

9 Ibid

10 Ibid

11 Ibid

of health care, instead appointing commission after commission to help push the idea.

Promises not realized

In other experiences with government-run systems, experts find that affordability, access and quality do not go together. Individuals' health care doesn't benefit from taking decisions away from doctors and patients. Citizens — not governments — are the best advocates for their health care needs.

Great Britain and Canada have taxpayer-funded, universal-care programs that are often cited as successful by proponents of such a system. Studies show dire problems with access to care in these countries.

The Fraser Institute¹² in Canada recently found that the average wait time between a primary care provider referral and specialty treatment was almost seven months in 2022. Wait times have grown steadily over the years.

In Great Britain, reports show people who suffer heart attacks or strokes wait more than one-and-a-half hours on average for an ambulance. The Royal College of Emergency Medicine estimates 300 to 500 people suffer premature deaths each week because of a lack of access to timely care. Finally, more than one in 10 people are stuck on waiting lists for non-emergency hospital treatment for services like hip replacements.¹³

As for affordability, Vermont, despite being a small and progressive state, found that the only way to set tax rates as low as Vermont officials wanted would mean giving residents skimpier health coverage than most insured Vermonters already had.¹⁴

The estimated cost of the new system in Vermont would have been over \$5 billion in 2021. “For context, the entire budget for the state of

Vermont was \$5.01 billion for 2012-2013,” notes Third Way, a national think tank championing center-left ideas.¹⁵ Officials in Vermont determined that an 11.5% state payroll tax and a 9.5% income tax would be necessary to pay for the new health care system. The state's then-Democratic governor described the tax hikes needed to fund the plan as “enormous.”¹⁶

Right now, Washington state workers are upset about a new long-term-care payroll tax of 58 cents of every \$100 they make and a tax for paid family leave that keeps climbing. And the state is fighting a new income tax in court. These taxes, and future ones that would be enacted for more taxpayer-funded health care, take away people's opportunities to find solutions for life needs that fit their individual situations. They make Washington state a less appealing place to live and work.

Safety net programs rightly exist for people in need of health care services. Creating new taxes would add to the costs of living in the state and hurt low-income workers, some of whom benefit from taxpayer-funded or subsidized health care now.

Even if all taxpayers wanted new, substantially higher taxes instead of insurance premiums, believing they would be financially better off, the pattern of universal, government-run health care is to deny and ration medical care. Some patients are denied care to save money. Demand always outstrips supply. Patient-centered health care is not the priority in a socialized system.

Other solutions

Our third-party-payer system and government regulations are a large part of the problem with our current health care system. Lawmakers should be looking there for cost-containment answers.

With a third-party paying for the majority of health care in our country, whether it is the government or an employer, many patients are separated from knowledge about — and fail to

12 “Waiting your turn: Wait times for health care in Canada, 2002 report,” Fraser Institute: <https://www.fraserinstitute.org/sites/default/files/waiting-your-turn-2022-execsumm.pdf>

13 “The U.K.'s government-run healthcare service is in crisis,” The Wall Street Journal, Feb. 6, 2023: <https://www.wsj.com/articles/nhs-uk-national-health-service-strike-costs-11675693883>

14 “Single-payer health care: A tale of 3 states,” Third Way, July 17, 2019: <https://www.thirdway.org/report/single-payer-health-care-a-tale-of-3-states>

15 Ibid

16 “Vermont governor abandons single-payer health care over ‘enormous’ costs,” Albany Business Review, Dec. 19, 2014: <https://www.bizjournals.com/albany/blog/health-care/2014/12/vermont-governor-abandons-single-payer-health-care.html?page=all>

prioritize — health care costs. Changing this would bring good results. Costs will continue to increase as long as someone else is paying the health care bills.

Washington policymakers need to start with an understanding that health care is not a right. It is a necessity of life, just like food and housing. We shop for those things, and assistance is rightly available for people in need. Americans are smart shoppers. We need educated consumers shopping for health care and benefiting from competition. We need price transparency that helps consumers do this. And we need safety nets to be reserved for people in need, not widened for all.

In a 2010 Washington Policy Center study, “How Mandates Increase Costs and Reduce Access to Health Care Coverage,”¹⁷ we reported on the 57 mandates Washington state officials had imposed on health insurance. The number of mandates on health benefits grew between 2002 and 2010, from 47 to 57. Over the same period, health insurance premiums in Washington and nationwide increased from an annual average of \$3,080 for individuals and \$8,000 for families, to \$4,800 for individuals and \$13,400 for families.¹⁸

When lawmakers adopt a new mandate, proponents confidently predict the policy change will increase affordability. Research shows the opposite happens. While the incremental cost of each additional state-imposed mandate may seem small, the cumulative effect over time is substantial.

Conclusion

SJM 8006 sends the wrong messages, making broad, unsubstantiated claims about health care that lawmakers should not want to send our federal government. The legislation also makes the wrong recommendation.

Government-run systems reveal access and quality problems that Washingtonians would find unacceptable. Other states have abandoned

their universal, taxpayer-funded plans because of staggering costs.

Lawmakers should act to move personal decisions about health care away from the political process and closer to the patient. SJM 8006 asks the federal government to do the opposite.

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¹⁷ “How Mandates Increase Costs and Reduce Access to Health Care Coverage,” Washington Policy Center: https://www.washingtonpolicy.org/library/docLib/April_2010_Mandates.pdf

¹⁸ “Employer Health Benefits,” Annual Survey 2009, The Kaiser Family Foundation and Health Research and Educational Trust: www.ehbs.kff.org/pdf/2009/7936.pdf