

High Cost of Low Wages

2016 Update

New figures from the Oregon Health Authority show that taxpayer-funded health care assistance to working Oregonians and their families costs over \$2 billion a year.

This is an increase from the estimated \$1.3 billion a year in health care assistance identified in the 2014 “High Cost of Low Wages” report. The increase is due to improved health care coverage thanks to the Affordable Care Act and the rising cost of healthcare in general.

Industry description	Working OHP clients 2014	Working OHP clients 2016	Increase from 2014 to 2016	Annual OHP costs for workers and their families, 2016
TOTAL	165,222	214,149	48,927	\$2,013,000,000
Accommodation and Food Services	29,196	38,601	9,405	\$363,000,000
Retail Trade	28,825	35,317	6,492	\$332,000,000
Health Care and Social Assistance	26,740	34,503	7,763	\$324,000,000
Administrative and Support and Waste Management and Remediation Services	19,761	24,581	4,820	\$231,000,000
Manufacturing	11,559	14,749	3,190	\$139,000,000
Construction	7,184	9,878	2,694	\$93,000,000
Educational Services	6,077	8,849	2,772	\$83,000,000
Agriculture, Forestry, Fishing and Hunting	5,183	6,336	1,153	\$60,000,000
Professional, Scientific, and Technical Service	3,732	5,676	1,944	\$53,000,000
Wholesale Trade	3,642	5,067	1,425	\$48,000,000
Transportation and Warehousing	3,864	4,560	696	\$43,000,000
Arts, Entertainment, and Recreation	2,333	3,663	1,330	\$34,000,000
Real Estate and Rental and Leasing	2,873	3,629	756	\$34,000,000
Public Administration	2,718	3,625	907	\$34,000,000
Finance and Insurance	2,240	3,039	799	\$29,000,000
Information	1,535	2,035	500	\$19,000,000
All other industry sectors	7,760	10,041	2,281	\$94,000,000

Data on monthly OHP costs and the number of workers on OHP by industry were provided by the Oregon Health Authority.

- Industries that rely on public support to pay for their employee health care costs include accommodation and food services, retail and the healthcare industry itself. Taxpayers spent around \$28 million in 2016 to pay for health insurance for 3,000 hospital workers and their children. Over \$21 million was spent on health care for 2,285 people employed in the offices of physicians.
- Employers benefit from having workers with health insurance, whose families can get the care they need to stay healthy. In order to protect health insurance for those workers, big employers need to step up and pay their fair share.