Joint Task Force on Universal Health Care

May 19, 2022

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Agenda

- Written Comment
- Expenditure & Revenue Analysis
  - Estimates – Optumas
  - Revenue for UHC – LRO
  - Analysis & Case Studies – Optumas

~ Break ~

- Public Comment
- Plan Design for Public Engagement
- Public Engagement - Next Steps

Written Comment – May

Universal Health Care – Impact on Unions: Most public sector unions and many private sector unions desire a universal health care system to reduce health care costs for members.

- What happens to savings that accrues to employers who no longer provide bargained-for benefits? Will the savings be up for bargaining?
- Many union members (e.g., in the building trades) are sent to work in different states by their contractor employers. What happens if only Oregon has a single payer system? How will members access care on the road?
- Multi-employer unions are subject to the Taft-Hartley Act, which applies to benefit funds that provide health care for members. How will the single payer system impact these benefits?
- Is the single payer benefit as good as what union members have now?

Universal Health Care Impact Summary:

Expenditure and Revenue Estimates

May 19, 2022

CBIZ Optumas

Consultants • Actuaries • Economists

2026 UHC Projected Expenditures Comparison

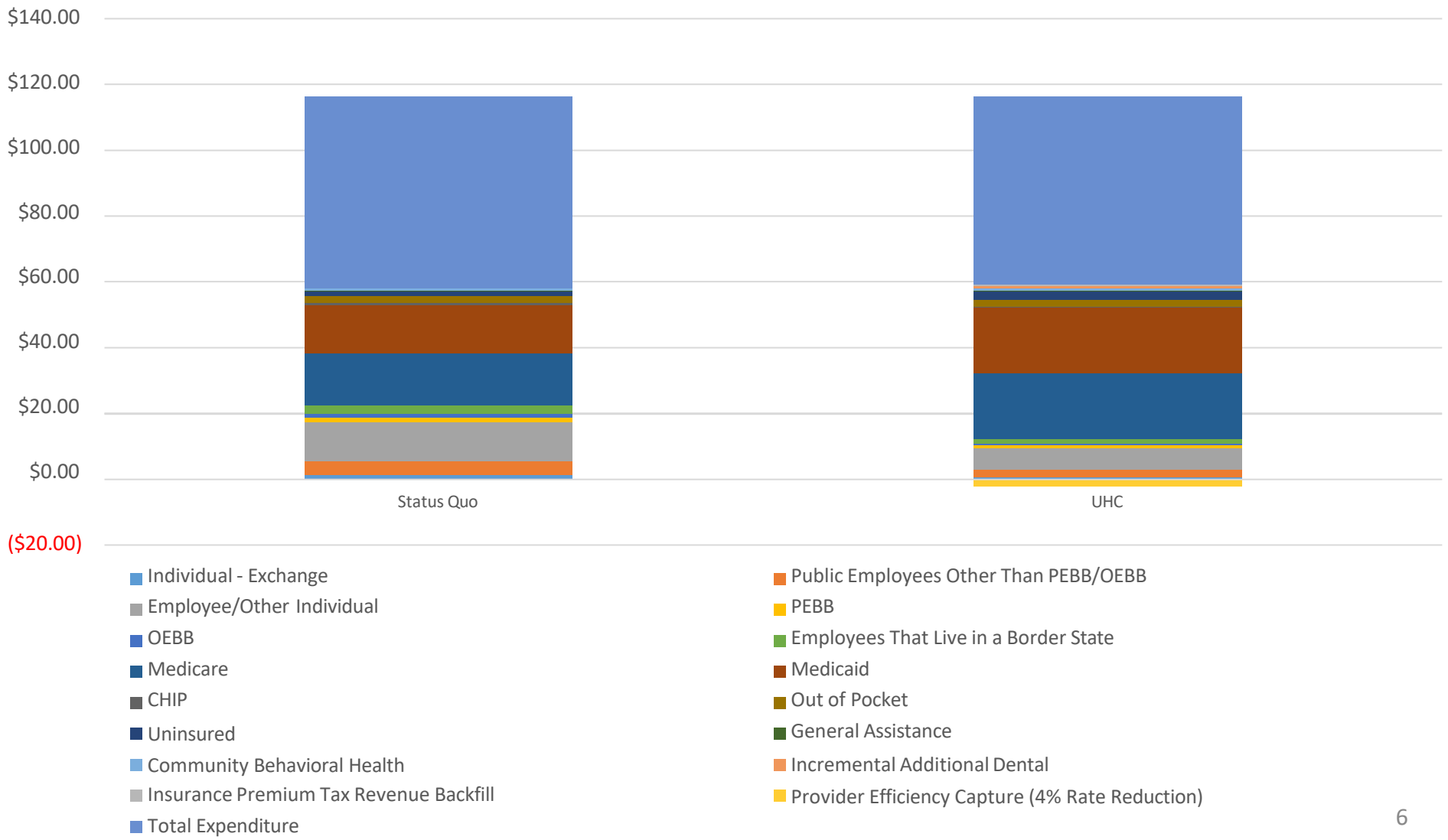
Coverage Type	2026 Status Quo	2026 UHC	Difference
Individual - Exchange	$1.39	$0.76	($0.63)
Public Employees Other Than PEBB/OEBB	$3.96	$2.16	($1.80)
Employee/Other Individual	$12.08	$6.65	($5.43)
PEBB	$1.36	$0.74	($0.62)
OEBB	$1.02	$0.55	($0.47)
Employees That Live in a Border State	$2.69	$1.49	($1.20)
Medicare	$15.80	$19.87	$4.07
Medicaid	$14.59	$19.96	$5.37
CHIP	$0.66	$0.35	($0.31)
Out of Pocket	$2.06	$2.02	($0.04)
Uninsured	$1.61	$2.65	$1.04
General Assistance	$0.16	$0.16	($0.00)
Community Behavioral Health	$0.74	$0.74	($0.00)
Incremental Additional Dental	$0.00	$0.75	$0.75
Insurance Premium Tax Revenue Backfill	$0.00	$0.44	$0.44
Provider Efficiency Capture (4% Rate Reduction)	$0.00	($2.16)	($2.16)
Total Expenditure	**$58.12**	**$57.13**	**($0.99)**

The estimates illustrated in this table reflect an aggregate administrative load of approximately 6%.

The tax scenarios are developed with an assumed 4% administrative rate.

The difference in administrative rate reduces the tax revenue needed by approximately $1.16 billion.

2026 UHC Projected Expenditures Comparison



2026 UHC Projected Revenue Comparison

Funding Source Type	Status Quo	UHC	Difference
Employer premium contribution	$14.54	$0.00	($14.54)
Charity	$0.16	$0.00	($0.16)
Employee / Individual	$12.25	$2.10	($10.15)
Federal Title XVIII (Medicare)	$11.78	$11.78	$0.00
Federal Title XIX (Medicaid)	$10.86	$12.86	$2.00
Federal Title XXI (CHIP)	$0.43	$0.43	$0.00
Exchange Subsidies/SAMHSA	$0.87	$1.17	$0.30
Household contribution and employer payroll tax	$6.18	$28.69	**$22.51
PEBB/OEBB non-GF Revenue	$1.06	$0.00	($1.06)
Total Expenditures	**$58.12**	**$57.13**	**($0.99)**

Figures in billions

Small differences between sums and totals are due to rounding.

**Tax revenue need is assumed to be $21.35 B instead of $22.51 B due to administrative savings assumption differences.

Revenue for Universal Health Care

Income Tax Proposal

Payroll Tax Proposal

Two Sources of Revenue

Payroll Tax	Personal Income Tax (PIT)
<u>Tax base:</u> Payroll of private & public employers and self-employed <u>Tax Rates (marginal):</u> ≤160K 7.25% 160K+ 10.50% <u>Revenue in 2026:</u> $12.85 B	<u>Tax base:</u> Federal PIT total income minus Social Security <u>Tax Rates (marginal, income as a % of federal poverty level):</u> ≤200% 0.0% 200-250% 1.0% 250-300% 2.0% 300-400% 3.5% 400%+ 9.3% <u>Revenue in 2026:</u> $8.5 B

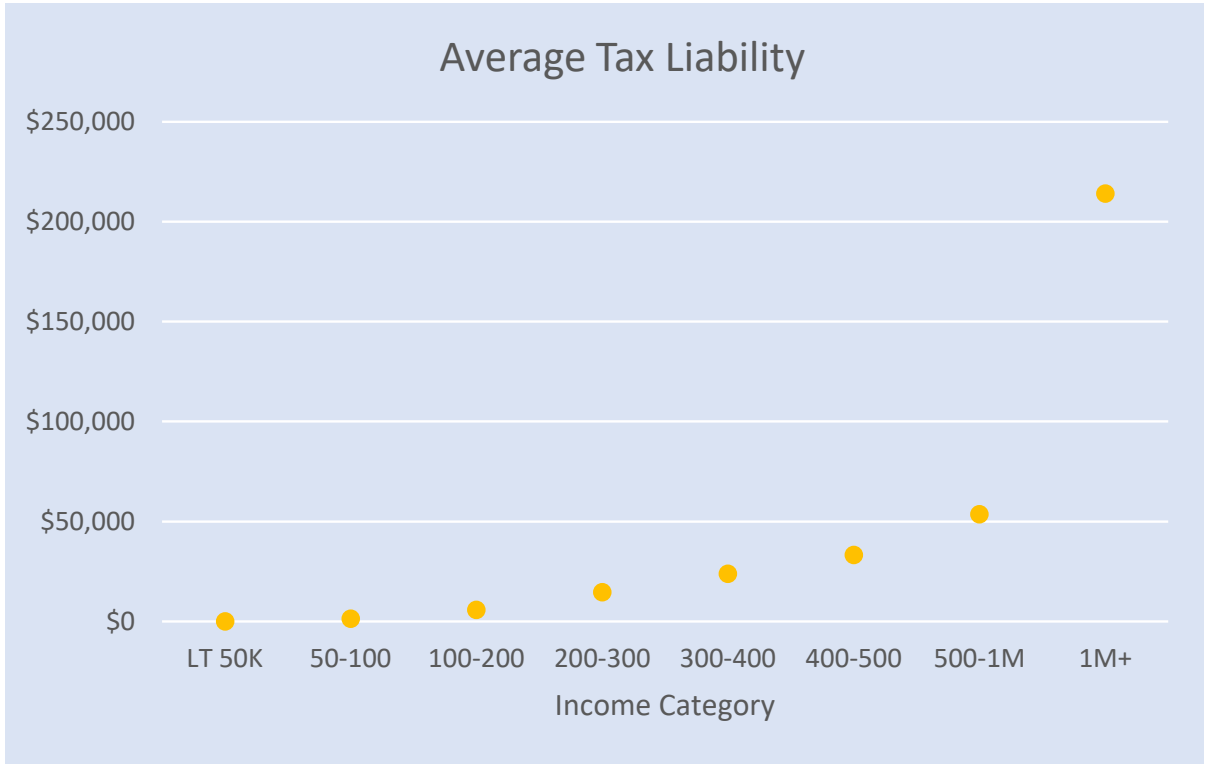
<u>Combined Total Revenue, 2026</u>

$21.35 B

Note: estimates are static

Progressivity of PIT UHC Tax

$$\text{Effective tax rate} = \frac{Tax\ Liability}{Income}$$



Universal Health Care Impact Summary:

General Impacts & Case Examples

May 19, 2022

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Who benefits and how? – Key Highlights

Individuals

- More robust benefit coverage for many
- Removal of cost sharing
- Improved access for individuals on public health insurance programs
- Coverage option for undocumented immigrants
- Coverage for other uninsured
- Less costs for some individuals

Employers

- Efficiencies from not having to manage health benefits
- Savings in aggregate – larger for some type of employers than others

Providers

- Reduced administrative burden
- 4-8% gains in aggregate due to reduced costs that are not captured by rate reductions

Aggregate Financial Impacts

	Status Quo 2026	UHC 2026	Difference
Individuals	$12.25 B Premiums and Cost Sharing	$2.10 B MCR Premiums $8.5 B Individual Contribution	$1.65 B savings
Employers	$14.54 B Premiums	$ 12.85 B Payroll Tax	$1.69 B savings

The divisions between individual impact and employer impact is complicated; increases in employer taxation is likely to put downward pressure on wage growth or increases in the costs of goods and services, indirectly passing the UHC impact onto individuals. These factors are not accounted for in the statistics above.

These totals are predicated on an assumption of a 4% administrative rate under universal health care and a 4% aggregate provider rate reduction (administrative efficiency capture).

Distributional Impacts - Introduction

Primary Factors that Determine Distribution Impacts

Individuals	Employers
Income	Robustness of benefit package
Household size	Disease burden of employee population
Type of employer	Level of employee premium contribution
Health status	Whether the employer offers insurance
Medicare status	Average employee wages
State of Residence	Industry – health plan or plan supports
	Employee dependent coverage

While there are aggregate savings estimated for both individuals and employers, the aggregate impacts do not reflect the significant distributional impacts from transitioning from a premium-based financing system to tax-based financing system. Even with all statistics moving downward, some individuals and employers will end up paying more.

Distributional Impacts - Individuals

Factor	Greater Benefit	Less Benefit/More Costs	Rationale
Income	Mid to low income not otherwise receiving subsidies or Medicaid	Higher income earners	Higher income earners likely to contribute more through taxation than previously contributed to premiums.
Dependents	Households with more dependents that previously paid additional premiums for family coverage	Individuals or households with few independents	More dependents reduce tax liability whereas more dependents today likely increases cost for premiums.
Type of Employer	Small employer (in some cases)	Self-employed (~12% of tax filers in Oregon paid self-employment tax)*	Self employed individuals would have to pay both employer and individual tax – very likely to exceed existing premium costs. For individuals employed by small employers that previously had not employer contribution to health care costs, tax could be less than prior premium costs (depends on other variables).
Health Status	Those with high health burden and coverage that currently has cost sharing	Those with low health burden	This population would have cost sharing contributions in addition to premiums. These individual contributions are distributed to others through taxation due to removal of cost sharing.
Medicare Status		Those with Medicare	These individuals pay twice – once through Medicare premiums and again through tax on income
State of Residence	Employed in Oregon, but live out of state (conditional)		Depending on the specific revenue mechanism, there could be a free-rider scenario; this population pays Oregon income tax

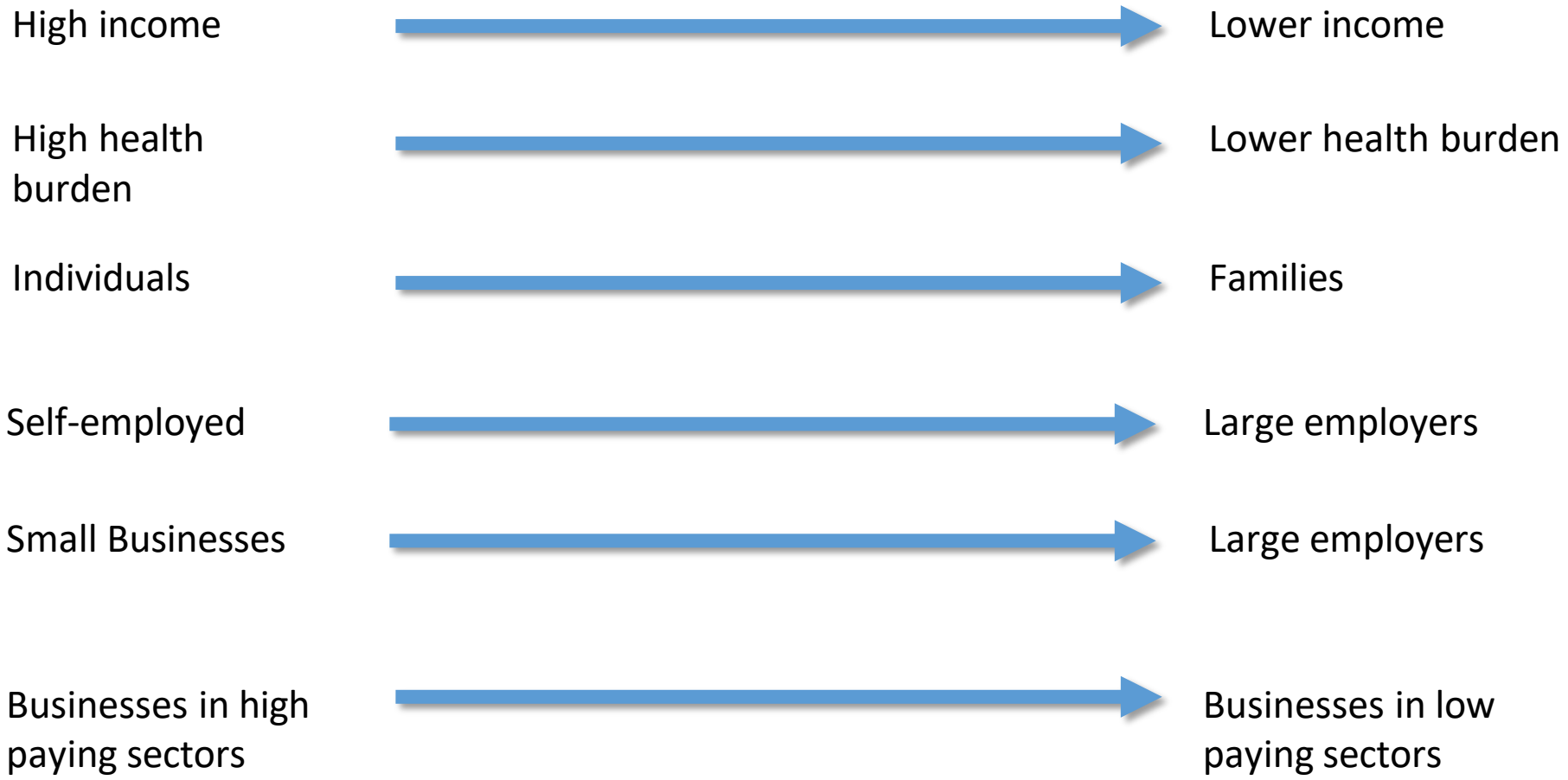
*Gig-Economy-Self-Employment-Report-2019.pdf (intuit.com)

Distributional Impacts - Employers

Factor	Greater Benefit	Less Benefit/More Costs	Rationale
Robustness of Benefit Package		Employers that offered minimal coverage	Holding all else constant employers that offered minimal benefits could see increases in costs under a state-wide benefit package.
Disease Burden of Employee Population	Employers with employees with disproportionately high health burden	Employers with employees that have younger, healthier employees	Employers with younger, healthier staff likely paid less in premiums than those with greater disease burden. The underlying risk profile of the employer's
Whether the Employer Offered Insurance Historically	Larger employer (in some cases)	Small employer (below 25 employees and not providing insurance coverage)	Businesses not previously required to contribute to health care costs required to do so through tax policy. Some larger employers could see reductions if tax is less than prior premium contribution.
Level of Employee Premium Contribution		Employers with higher levels of premium contribution	The more an employer required its employees to contribute to their own health care premiums, the greater they would be impacted under the UHC model.
Average Employee Wages	Employers with low employee wages	Employers with high employee wages	The greater the wages, the greater the payroll tax. Two-fold incentive to put downward pressure on wages.
Employee Dependent Coverage	Employers with employees with more dependents		Whereas the employer contributed to dependent care in the past, the employer has a fixed tax regardless of dependent coverage in the future.
Health Plan Employers	Plans and businesses that support plans would no longer serve their current roles. Business closures and layoffs for all employees in this sector would be anticipated. Some employees could transition to support administration of the single payer health plan.		

Distributional Impacts – Subsidization Effects

Distributional relationships when transitioning from premiums to taxation without cost sharing



Case Examples

Benefit Coverage Definitions

- **"Comprehensive Benefits"** include, at a minimum, benefits provided in status quo public employee plans (PEBB), and Oregon Health Plan benefits for those eligible.
- **"Commercial Plan"** – Plans meet requirements for essential health benefits but may include more cost sharing and benefit limits than the public employee plan.
- **"Basic"** – Plan designed to meet minimum requirements for marketplace offerings.
- **"Medicare"** – includes Part A and Part B covered services.

Impact Analysis

- **Level of Benefits:** Basic (Marketplace), Commercial Plan, Comprehensive (Medicaid/PEBB)
- **Household Out of Pocket Expenditures:** Co-pays, deductibles, and in the current system, individual contribution to premium costs
- **Household Contribution:** Covered individual(s) contribution to Universal system.
- **Employer-paid Premiums:** Employer contribution to insurance premiums
- **Employer Payroll Tax:** Private sector employer contribution to overall health costs

Caveats / Notes

- Examples use 2022 FPL income thresholds to calculate household premium.
- Difference between total income and household income are ignored.
- Household income is assumed to be 100% wages from employment.
- Difference between household-based FPL calculation and tax return-based FPL calculation are ignored.

Medicare:
Small Pension and Average Social Security

- **Family Composition:** Individual
- **Household Income:** $3,583 (Pension of $2,500 per month + Social Security of $1,083 per month)
- **Current Source of Insurance:** Medicare

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Medicare	Comprehensive	
Household Out of Pocket Expenditures	$5,750	$1,782	
Household Contribution	$0	$28	
Employer Premiums	$0	$0	
Payroll Tax	$0	$0	

Impact on Insured

- ✓ Benefits are similar
- ✓ Household OOP is reduced $3,968
- ✓ Medicare premium payment required
- ✓ Household contribution is $28

Employer Impact

- ✓ N/A

Medicare:
Work Income (65, not yet drawing Social Security)

- **Family Composition:** Individual
- **Household Income:** $42,996
- **Current Source of Insurance:** Medicare

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Medicare	Comprehensive	
Household Out of Pocket Expenditures	$5,750	$1,782	
Household Premium	$0	$282	
Employer Premiums	$0	$0	Small Employer No Coverage
Payroll Tax	$0	$3,117	

Impact on Insured

- ✓ Benefits are similar
- ✓ Household OOP is reduced $3,968
- ✓ Medicare premium payment required
- ✓ Non-Medicare Premium expense is $282

Employer Impact

- ✓ Increased cost to employer

Medicare:
Work Income vs. Retirement Income

	Work Income Scenario	Retirement Income Scenario
Individual	$3,686 savings	$3,940 savings
Employer	$3,117 more costs	N/A

Observations:

- Employers that did not previously provide insurance benefits will under a payroll tax. This adds new costs for small businesses; *small businesses will subsidize large businesses*.
  - This could have significant and lasting economic effects.

- With the same aggregate income, individuals living off retirement income will see more savings than those living of wage income; *working individuals will subsidize retirees*.

Employer Sponsored Insurance: Top 5% Income; Large Employer

- **Family Composition:** Two married adults and two children under 18
- **Household Income:** $275,000
- **Current Source of Insurance:** Head of household's employer for family

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Commercial Plan	Comprehensive	
Household Out of Pocket Expenditures	$7,702	$0	Premiums and cost sharing
Household Contribution	$0	$11,720	
Employer Paid Premiums	$17,770	$0	
Employer Payroll Tax	$0	$23,675	

Impact on Insured

- ✓ Benefit coverage is similar
- ✓ Household OOP is eliminated
- ✓ Household contribution is $11,720

Employer Impact

- ✓ Increased cost to employer

Employer Sponsored Insurance: Top 25% Income; Large Employer

- **Family Composition:** Two married adults and two children under 18
- **Household Income:** $120,000
- **Current Source of Insurance:** Head of household's employer for family

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Commercial Plan	Comprehensive	
Household Out of Pocket Expenditures	$7,702	$0	Premiums and cost sharing
Household Premium	$0	$1,955	
Employer Paid Premiums	$17,770	$0	
Employer Payroll Tax	$0	$8,700	

Impact on Insured

- ✓ Benefit coverage is similar
- ✓ Household OOP is eliminated
- ✓ Premium expense is $1,955

Employer Impact

- ✓ Reduced cost to employer

Employer Sponsored Insurance: Top 25% Income; Large Employer

- **Family Composition:** Individual
- **Household Income:** $120,000
- **Current Source of Insurance:** Head of household's employer for family

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Commercial Plan	Comprehensive	
Household Out of Pocket Expenditures	$2,962	$0	Premiums and cost sharing
Household Premium	$0	$4,815	
Employer Paid Premiums	$6,835	$0	
Employer Payroll Tax	$0	$8,700	

Impact on Insured

- ✓ Benefit coverage is similar
- ✓ Household OOP is eliminated
- ✓ Premium expense is $1,955

Employer Impact

- ✓ Reduced cost to employer

Employer Sponsored: Top 5% vs. Top 25%

	Top 5% Scenario (Family of Four)	Top 25% Scenario (Family of Four)	Top 25% Scenario
Individual	$4,018 more costs	$5,747 savings	$1,853 more costs
Employer	$5,905 more costs	$9,070 savings	$1,865 more costs

Observations:

- Higher income individuals will contribute more to health care costs under an income tax model, and their employer will contribute more as well; *households with higher income will subsidize those with lower income.*

- Individuals with dependents see additional relief, as does their employer, but those without dependents and their employers will pay more; *individuals will subsidize families.*

Independently Purchased: Top 5% Income; Small Employer

- **Family Composition:** Two married adults and child under 18
- **Household Income:** $275,000
- **Current Source of Insurance:** Marketplace

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Basic	Comprehensive	
Household Out of Pocket Expenditures	$10,148	$0	Premiums and cost sharing
Household Contribution	$0	$11,720	
Employer Paid Premiums	$0	$0	
Payroll Tax	$0	$23,675	

Impact on Insured

- ✓ Benefit coverage improves
- ✓ Household OOP is eliminated
- ✓ Household contribution is $11,720

Employer Impact

- ✓ Increased cost to employer

Independently Purchased: Top 25% Income; Small Employer

- **Family Composition:** Two married adults and child under 18
- **Household Income:** $120,000
- **Current Source of Insurance:** Marketplace

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Basic	Comprehensive	
Household Out of Pocket Expenditures	$10,148	$0	Premiums and cost sharing
Household Contribution	$0	$1,955	
Employer Paid Premiums	$0	$0	
Payroll Tax	$0	$8,700	

Impact on Insured

- ✓ Benefit coverage improves
- ✓ Household OOP is eliminated
- ✓ Household contribution is $1,955

Employer Impact

- ✓ Increased cost to employer

Small Employer:
Top 5% vs. Top 25%

	Top 5% Scenario	Top 25% Scenario
Individual	$1,572 more costs	$8,193 savings
Employer	$23,675 more costs	$8,700 more costs

Observations:

- Employers that did not previously provide insurance benefits will under a payroll tax. This adds new costs for small businesses; *small businesses will subsidize large businesses.*
  - This could have significant and lasting economic effects.

- Higher income individuals will contribute more to health care costs under an income tax model, and their employer will contribute more as well; *households with higher income will subsidize those with lower income*.

Marketplace: Self-employed

- **Family Composition:** Single adult
- **Household Income:** $80,000
- **Current Source of Insurance:** Marketplace

Annual Impact		Single Payer Estimate	Notes
Level of Benefits		Comprehensive	
Household Out of Pocket Expenditures		$0	Premiums and cost sharing
Household Contribution		$2,295	
Employer Health Care Contribution		$0	Self-employment
Employer Payroll Tax	$0	$5,800	

Impact on Insured

- ✓ Benefit coverage improves
- ✓ Household OOP is eliminated
- ✓ Household contribution is $2,295

Employer Impact

- ✓ Individual must pay new payroll tax, adding to household contribution for a net increase

Uninsured: Self-Employed

- **Family Composition:** Individual
- **Taxable Household Income:** $80,000
- **Current Source of Insurance:** None

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Comprehensive	Comprehensive	
Household Out of Pocket Expenditures	$400	$0	Self-pay costs; no major illness
Household Contribution	$0	$2,295	
Employer Paid Premiums	$0	$0	Self-employment
Payroll Tax	$0	$5,800	

Impact on Insured

- ✓ New benefit coverage
- ✓ Household OOP is eliminated
- ✓ Household contribution is $2,295

Employer Impact

- ✓ Individual must pay new payroll tax, adding to household contribution for a net increase

Small Employer: Marketplace vs. Uninsured

	Marketplace Scenario	Uninsured Scenario
Individual	$3,683 more costs	$7,695 more costs

Observations:

- A payroll tax on self-employed individuals is likely to create a cost shift to the self-employed population due to only paying premiums in current state and paying both payroll and income tax in future state; *self-employed individuals subsidize large employers.*

- Individuals that have a low health burden and consequently did not purchase insurance pay for health insurance due to the tax; *non-utilizers subsidize utilizers (also because of removal of cost sharing).*

Medicaid

- **Family Composition:** Adult and child
- **Household Income:** $15,000
- **Current Source of Insurance:** Medicaid

Annual Impact	Current System	Single Payer Estimate	Notes
Level of Benefits	Comprehensive	Comprehensive	
Household Out of Pocket Expenditures	$0	$0	Premiums and cost sharing
Household Contribution	$0	$0	
Employer Premiums	$0	$0	
Payroll Tax	$0	$1,088	

Impact on Insured

- ✓ Benefits are similar
- ✓ No impact to OOP
- ✓ Household contribution is $0

Employer Impact

- ✓ Increased cost to employer

Summary / Overview

		Impact from Status Quo				
Current Coverage	Situation	Benefit Coverage	Household OOP	Household Contribution	Employer Premium	Payroll Tax
Medicare	Small Pension & Avg Social Security	↑	↓ (-$3,968)	↑ (+$28)	= $0	= $0
	Work Income, No Social Security	↑	↓ (-$3,968)	↑ (+$282)	n/a	↑ (+$3,117)
Employer Sponsored Insurance	Top 5% Income; Large Employer	= or >	↓ (-$7,702)	↑ (+$11,720)	↓ (-$17,770)	↑ (+$23,675)
	Top 25% Income; Large Employer	= or >	↓ (-$7,702)	↑ (+$1,955)	↓ (-$17,770)	↑ (+$8,700)
	Top 25% Income; Large Employer	= or >	↓ (-$2,962)	↑ (+$4,815)	↓ (-$6,835)	↑ (+$8,700)
Independently Purchased	Top 5%; Small Employer	↑	↓ (-$10,148)	↑ (+$11,720)	= $0	↑ (+$23,675)
	Top 25% Income; Small Employer	↑	↓ (-$10,148)	↑ (+$1,955)	= $0	↑ (+$8,700)
Marketplace	Self-Employed	↑	↓ (-$4,412)	↑ (+$2,295)	= $0	↑ (+$5,800)
Uninsured	Self-Employed	↑	↓ (-$400)	↑ (+$2,295)	= $0	↑ (+$5,800)
Medicaid	Self-Employed	=	= $0	= $0	= $0	↑ (+$1,088)

1 - Down arrow and negative value indicates a reduction in annual cost for the component compared to the status quo.

2 - Up arrow and positive value indicates a increase in annual cost for the component compared to the status quo.

Note: these scenarios are not representative of all potential outcomes; they are designed to illustrate how different characteristics will determine the impact of changing how health care is financed under a single payer model.

Public Comment

Plan Design for Public Engagement

Dr. Zeenia Junkeer

Staff

Preliminary Proposal (May 2022)

Preliminary Proposal

- Summary of Task Force materials
  - TAGs, Interim Status Report, ODEs, ERA materials, and Communications FAQs
- Not a final draft
  - Subject to refinement based on public engagement
- For use by Lara Media, Diana Bianco, and staff to develop materials for public engagement

Legislative Charge:
Design a Health Plan for All Oregon

- Be a single-payer health care financing system where one entity pays for comprehensive health care services for all Oregonians
- Uncouple coverage from employment status or income-based eligibility
- Ensure that individuals who receive services from the Veterans' Administration or Indian Health Services may be enrolled in the plan
- Equitably and uniformly include all residents in the plan
- Preserve coverage of the health services currently required by Medicare, Medicaid, the Children's Health Insurance Program, Affordable Care Act, and any other state or federal program

Key Issues in Designing a State-based Universal Health Plan (UHP)

- Enrollee affordability and cost-sharing
- Level of benefits
- Provider reimbursement
- Role of insurance companies
- Fair and equitable financing
- Governance
- Federal waivers, ERISA, Medicare
- Sustainability and affordability for state
- Public support in a polarized environment

Eligibility Framework

- Everyone residing in Oregon, regardless of employment, income, immigration status, or tribal membership, is eligible for the Universal Health Plan (UHP)
- Eligibility will be tracked in a centralized database to which all providers will have access
- Medicare-eligible Oregonians will be covered by the Universal Health Plan to the extent permitted by federal law and authority
- Out-of-state residents in CA, WA, ID and NV who work for Oregon-based employers (and their dependents) are eligible for the plan

Enrollment Process

- Simple enrollment process that works quickly and minimizes time and expenses for patients
- Enrollment will be possible at health care venues
- To maintain federal funding for some Oregonians' health care, certain information will need to be collected in as simple a way as possible
- No waiting period or minimum residency duration is needed to enroll
- Enrollment in Oregon Health Plan, Medicare, or TRICARE will be seamlessly integrated with the Plan

Covered Benefits

- Benefits will be comparable to the PEBB benefits package
  - Includes dental coverage with PEBB-like benefits
  - Includes home health with PEBB-like benefits
  - Behavioral health benefit design will be influenced by OHP
- Includes coverage of emergency and urgent health care for Oregonians who travel out of state
- Coverage in individual benefit categories will be guided, where possible, by evidence-informed criteria with a commitment to identifying evidence inclusive of diverse populations

Long Term Services and Supports

- Oregonians currently eligible for coverage of Long-Term Services and Supports (LTSS) will continue to receive benefits from Medicaid, Medicare, and private payers
- Oregonians may choose to obtain private LTSS insurance, which is permissible as a form of complementary coverage
- Universal Health Plan (UHP) will work with the Department of Human Services (DHS) to study the social, financial, and administrative impacts of including LTSS in the new system - within three (3) years of establishment

Social Determinants of Health

The Universal Health Plan (UHP) will:

- Incorporate lessons learned from current SDOH-related efforts
- Maximize federal flexibilities with funding for SDOH
- Build relationships with entities addressing SDOH
- Create reimbursement arrangements to support health-related services
- Develop systems to collect SDOH-related data
- Prioritize spending a portion of savings on SDOH

Tribes

- The Universal Health Plan will have a government-to-government relationship with the tribes
- Oregon tribal members will have the choice to enroll in the plan and tribal health care providers can participate in the plan delivery system
- Plan will not disrupt current services provided by Tribal or Indian Health Services
- Whether or not the new taxes will be more than the current funds paid by Tribes into the self-funded tribal health care system will eventually be resolved in government-to-government consultation with Tribes

System Financing

- No patient payment at point of service (no deductibles or co-pays)
- Replace all current family, individual, and employer spending on insurance and health care with a payroll tax and a household contribution
- Pool current federal and state spending by government programs into a single health care trust fund
- Majority of Oregonians will pay less than most employers, families, and individuals currently pay in premiums and out-of-pocket expenses

Revenue

- Employer payroll tax
  - Paid by all employers, all sectors, all sizes
  - Percentage of employee wage
  - Employers choose whether to continue to offer health benefits

- Household contribution
  - Income-based (percentage of the Federal Poverty Level)
  - Progressive (does not apply to income below 200% FPL; no cap)
  - Collected through the existing revenue system

Provider Participation

- Any licensed or authorized practitioners in Oregon, providing health care services covered by the Universal Health Plan, is considered a "participating provider"
- Recruit and retain a wide range of provider types:
  - behavioral health providers, traditional healthcare workers, and non-physician provider personnel
  - prioritizing recruitment of clinicians of color
- Ensure sufficient geographic and cultural distribution of providers.
- Universal Health Plan will reimburse out-of-state providers for care provided to members who require services outside of Oregon

Provider Reimbursement

- The Universal Health Plan will reimburse providers directly
- Regional entities will advise the Universal Health Plan on methods and rates of reimbursement, which may be regionally specific to address geographic and cultural needs
- The Universal Health Plan will not reimburse institutional providers using fee-for-service arrangements
- Some of the anticipated administrative savings will remain with providers and health systems, allowing for reinvestment in behavioral health, rural networks, and pay parity among provider types

Private Insurance

- State-regulated insurance companies will be prohibited in offering substitutive and supplementary insurance - to the extent permitted by state and federal law.
- Insurers will be able to offer complementary insurance to cover benefits or services not offered by the Universal Health Plan (e.g., certain prescription drugs, services with coverage limits, long-term care)
- Complementary plans are to be offered on a guaranteed issue basis and subject to DCBS rate review or similar process.

Private Pay Patients

- Private pay patients include out-of-state patients, patients who request to pay out-of-pocket, and self-funded plan beneficiaries
- Participating providers are prohibited from giving preferential treatment to private-pay patients
- Participating providers shall not charge any rate in excess of the rates established by the Universal Health Plan for any health care service covered by the plan
- If services covered by the Universal Health Plan are provided to Universal Health Plan patients with complementary coverage, including self-funded plan beneficiaries, the Universal Health Plan may seek reimbursement from the other payer when financially prudent

Governance

- The Universal Health Plan is a public entity, governed by a board, with reporting responsibility to the Oregon Legislative Assembly and Governor
- Regional Entities are to play advisory and planning roles to support the Universal Health Plan and respond to the unique needs of the diverse communities across Oregon
- Regional entities will manage budgets for health improvement, medical capital and infrastructure projects, and ongoing stakeholder engagement
- Universal Health Plan will administer the plan but may contract with third parties for benefit administration

Public Engagement Next Steps

Dr. Zeenia Junkeer

Staff

Phase Two Community Listening Sessions

June 2022

Regional Community Sessions

- Coast
- Central
- Eastern
- Southern
- Portland Metro
- Willamette Valley
- Spanish-Speaking Community - Statewide

Listening Sessions

- June (weekday evenings and weekends)
- Two-hour facilitated discussion
- Professional moderator
- Held via Zoom

Virtual Forum Dates and Times – Formal Invite Coming

- Saturday June 11 – 10:30 am to 12:30 pm
  - Coastal Region
- Tuesday, June 14 - 5:30 pm to 7:30 pm
  - Central Region
- Wednesday, June 15 - 5:30 pm to 7:30 pm
  - Eastern Region
- Saturday, June 18 - 10:30 am to 12:30 pm
  - Southern Region
- Tuesday, June 21 - 5:30 pm to 7:30 pm
  - Portland Metro
- Saturday, June 25 - 10:30 am to 12:30 pm
  - Willamette Valley
- Tuesday, June 28 - 5:30 pm to 7:30 pm
  - Statewide - Spanish

Phase Two Specialty Forums

July-August 2022

Specialty Forums

- Six forums, June to August
- Solicit feedback on financial plan and provider participation
- Two-hour forum by professional facilitator
- Forums held virtually and/or in-person (TBD)

Health Care Community

- Providers
- Payers
- Hospitals

Business Community

- Large employers
- Small employers
- Unions

Engagement Workgroups' Next Steps

- Specialty Industry Forum
  - Meets next week, 5/23
  - Discussion with facilitator
  - Discuss goals and invitations

- Community Listening Sessions
  - Meets next week, 5/25
  - Discussion with facilitators
  - Finalize forum agenda and materials

Next Meetings

- **No Task Force meeting in June!**
- **Work Groups**
  - **Specialty Forums – May 23 with Diana Bianco**
  - **Public Engagement – May 25 with Lara Media**
- **Next Task Force meetings – July 7 and July 28**