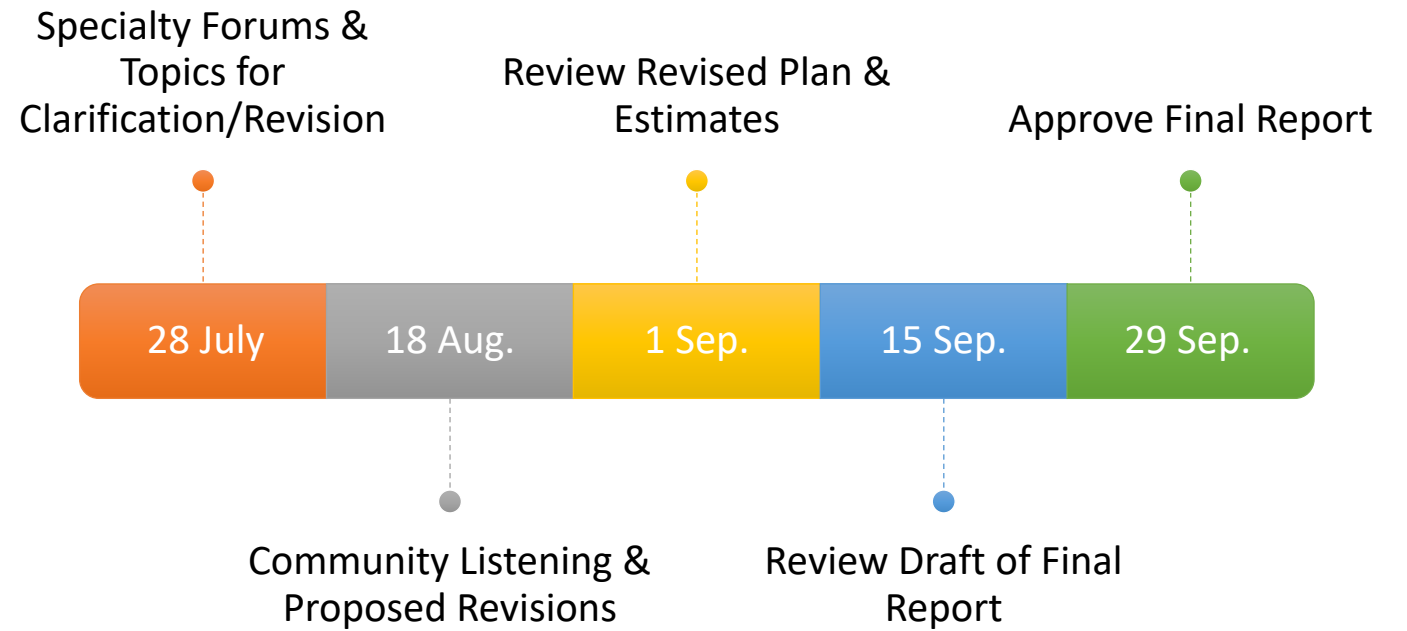


Joint Task Force on Univeral Care

July 28, 2022

1 – 5 pm

The Home Stretch



Today's Agenda

ODE: Transition Plan

Findings from Elway Poll— Warren

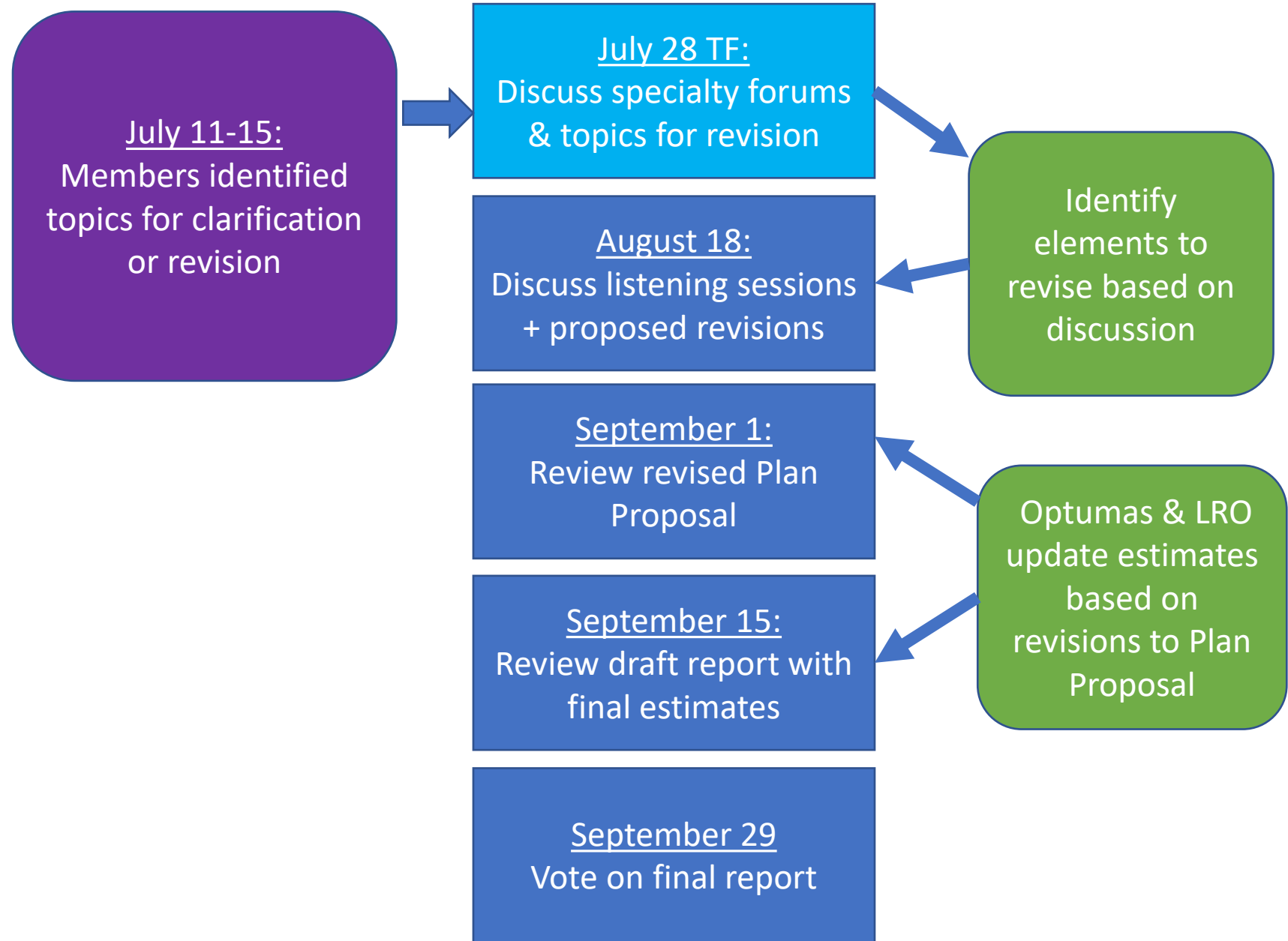
Specialty Forum Findings

10 Minute Break

Issues for Clarification & Revision

Public Comment & Wrap-up

Process for Revising Plan Proposal



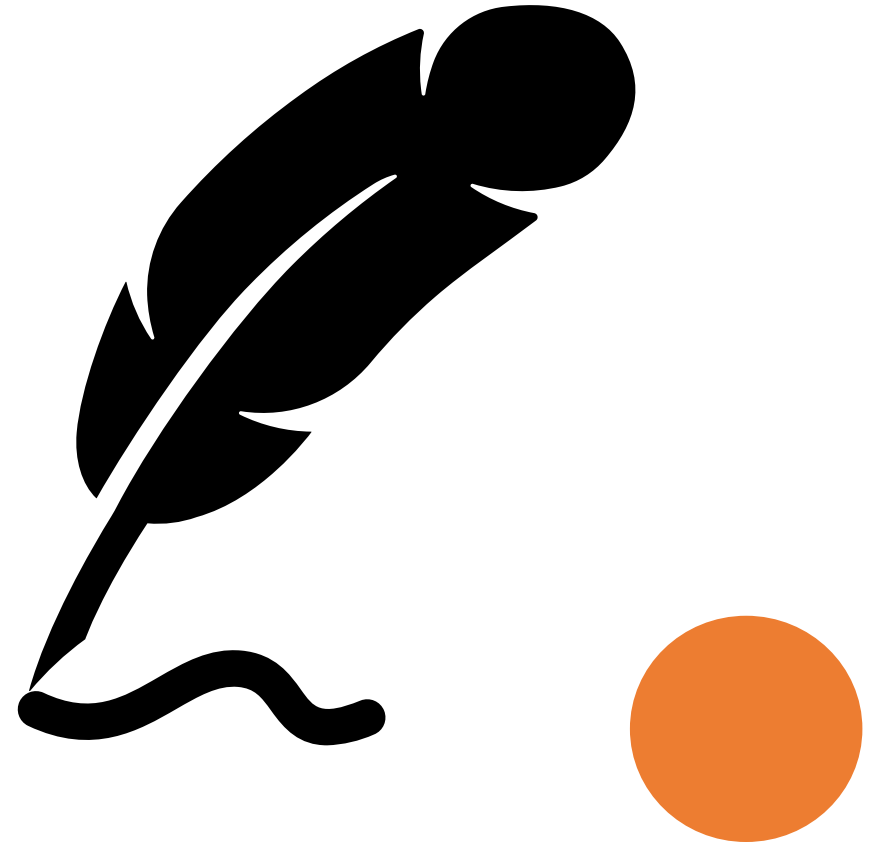
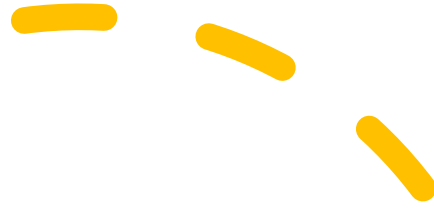
Technical Report Elements



- ❖ Member Summary
- ❖ Plan Proposal
- ❖ Staff Summary
 - Public Engagement details
 - Policy details
- ❖ Addenda
 - Lara Media Reports
 - Optumas Final Report

Member Summary

1. Summary and Background
2. Key Elements
 - a. Eligibility and Enrollment
 - b. Benefits
 - c. Provider participation and payment
 - d. Governance
 - e. Cost
 - f. Funding
 - g. Medicare, Medicaid, and private insurance
3. Regulatory Issues
 - a. ERISA
 - b. Waivers
4. Transitions
5. Future tasks for the Universal Health Plan Board

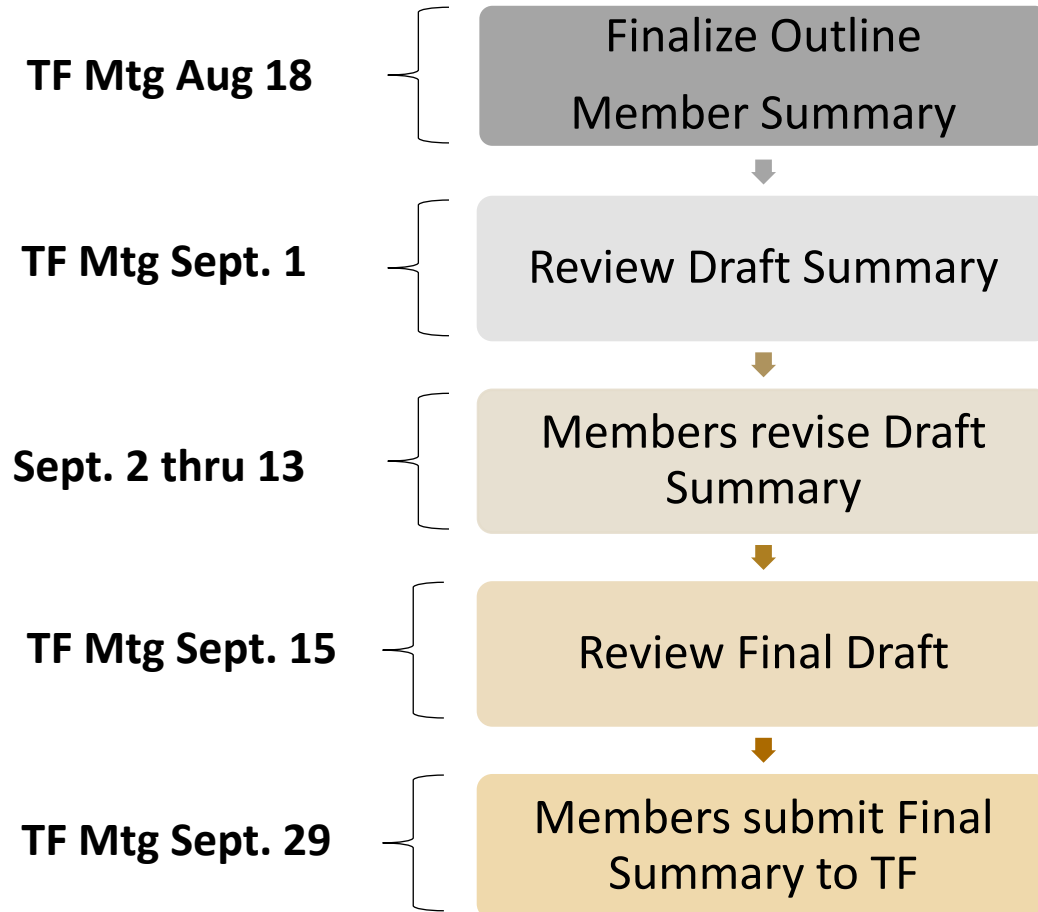


Member Summary

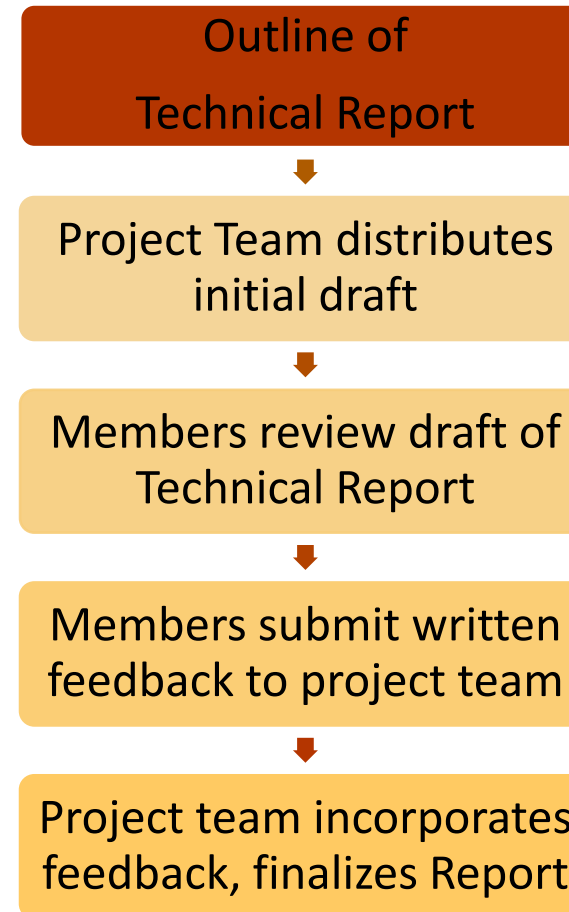
Key Dates

- Sept 1: Present **Member** Draft to Task Force
 - *Meeting materials go out **Aug. 29***
- Sept 15: Present Final **Member** Draft to Task Force
 - *Draft report goes out **Sept. 9***

Member Summary



Technical Report



Outstanding Design Element: Transition Plan

Background Brief and DRAFT Recommendations

Joint Task Force on Universal Care

July 28, 2022

SB 770

Succinct statements about the actions needed

Priority objectives to complete the transition to a universal system

Timeline for actions and recommendations

Succinctly...

- Legislative action to create a **Transition Commission**
- **Priority Objectives:** Waivers, Behavioral Health, Work Force, Funding
- **Timeline:**
 - 2023: Legislature Establish Transition Commission
 - 2025: Legislature Enacts Universal Health Plan; establishes Board

Transition Commission

Legislature will decide size, composition, functions. Examples:

Board	<u>SAIF Corporation</u>	<u>Universal H.C. Commission (WA)</u>	<u>Green Mountain Care Board (VT)</u>	<u>Cost Review Commission (MD)</u>
Function	Administer non-profit for workers compensation	Transition Planning for Universal Care	Established during single payer effort; now oversees waivers, policies	Oversees Maryland's all-payer system with CMS waivers
Size	Five members	Fifteen members	Five members	Seven Members
Composition	Business executives	Legislators, agency officials, hospital and insurance execs	Former medical executives, scholars, and attorneys	Providers, administrators, scholars
Appointee Authority	SAIF members, appointed by Governor	Legislators, Gov. appointees, agency officials	Nominating committee, Gov. appointment	Gov. appointees

Transition Commission: Key Details

Collaboration with
providers, hospitals, CCOs

Integration with state
agencies

Resources for members,
consultants, staff

Objective: Develop an Action Plan



Checkpoints to implementation




Priorities: Waivers, Workforce
Behavioral Health, Funding



Timely collaboration is key

- Start application process in earnest
- Partner with agencies for technical assistance
- Vermont and Maryland: independent boards that innovate with CMS



Waivers & Approvals

Behavioral Health Funding



Study Oregon-specific challenges



Explore solutions: state-funded bonuses, wage add-ons



Propose a detailed policy for universal coverage of BH

Workforce



STUDY NEEDS FOR
IMPACTED SECTORS



SET RATES TO ATTRACT,
RETAIN PROVIDERS



INNOVATE: RURAL
RESIDENCY, INCENTIVES

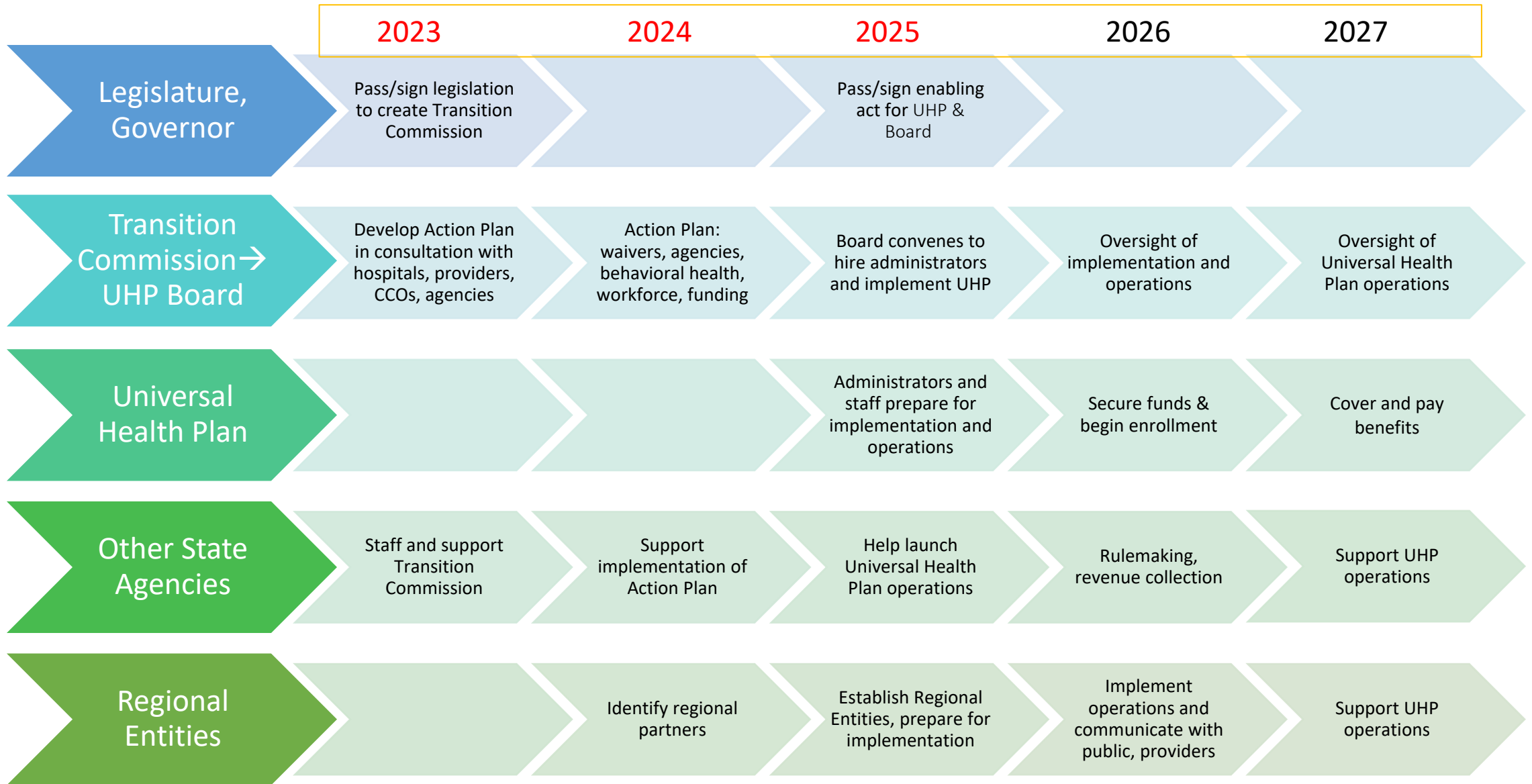
Funding

- Full macroeconomic analysis
- Specific issues: small employers, residency, Taft-Hartley
- Price out administrative structure (payment, quality, reporting, transparency, program integrity)
- Secure federal and state revenues
- Timing is key

Timeline

From **Transition Commission**
to **Implementation** of the
Universal Health Plan





Draft Recommendations

The Task Force recommends the following actions:

2023-2024: Establish a Transition Commission to secure federal waivers and approvals and to detail specific actions needed to prepare Oregon's workforce, agencies, and behavioral health and revenue systems.

- Transition Commission will report back to Legislature in advance of the 2025 Legislative Session.

2025: Enact the Universal Health Plan, establishing its Board and Regional Entities to prepare for implementation and operations.



ELWAY RESEARCH, INC.

INSIGHT • CLARITY • UTILITY

**It is often said that “perception is reality.”
More to the point, your publics’ perceptions are your reality.**

**What do your objectives look like through the eyes of those
with whom you need to communicate?**

Rated one of the top 6 pollsters in the country by *fivethirtyeight.com*

Poll Design

A Readiness Poll

No Partisan “Tells”

Questions Ordered as Problem Solving Exercise

The Poll

Conducted July 2019

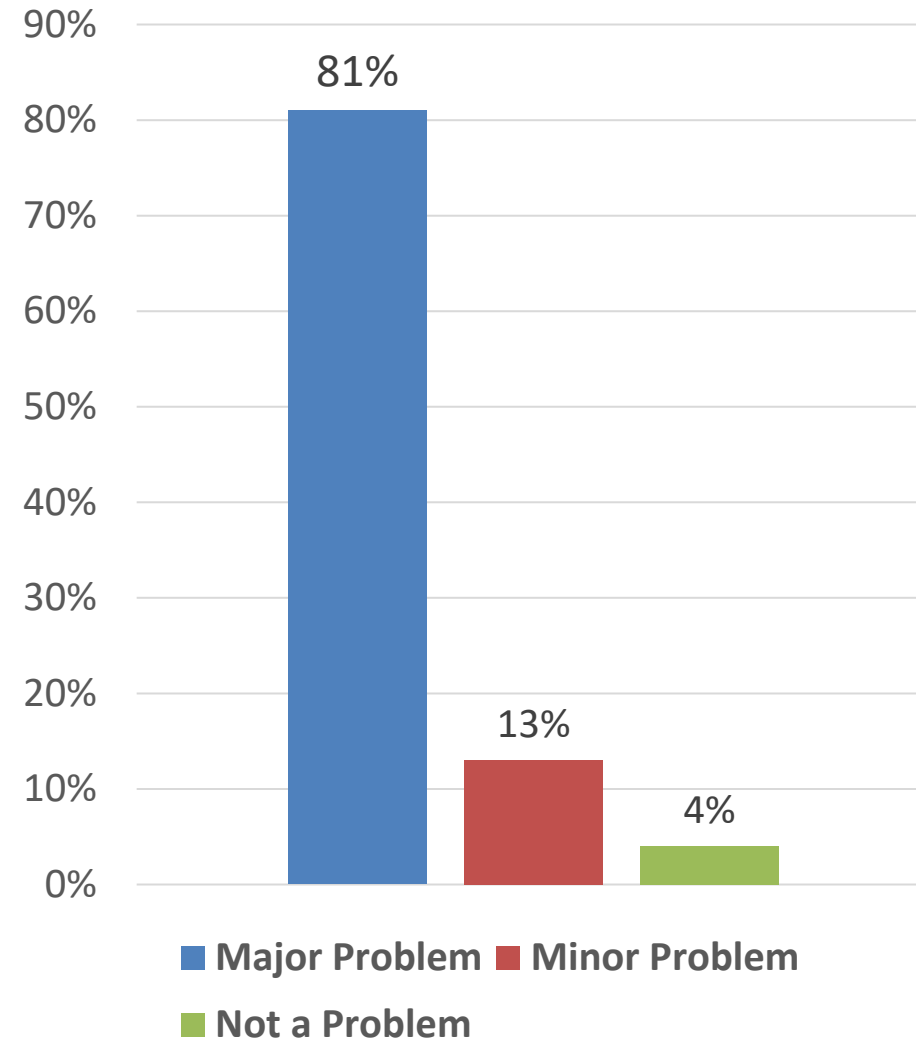
+/- 5% sampling accuracy

Mixed Mode: Landline and Cell phone

Controlled for demographics

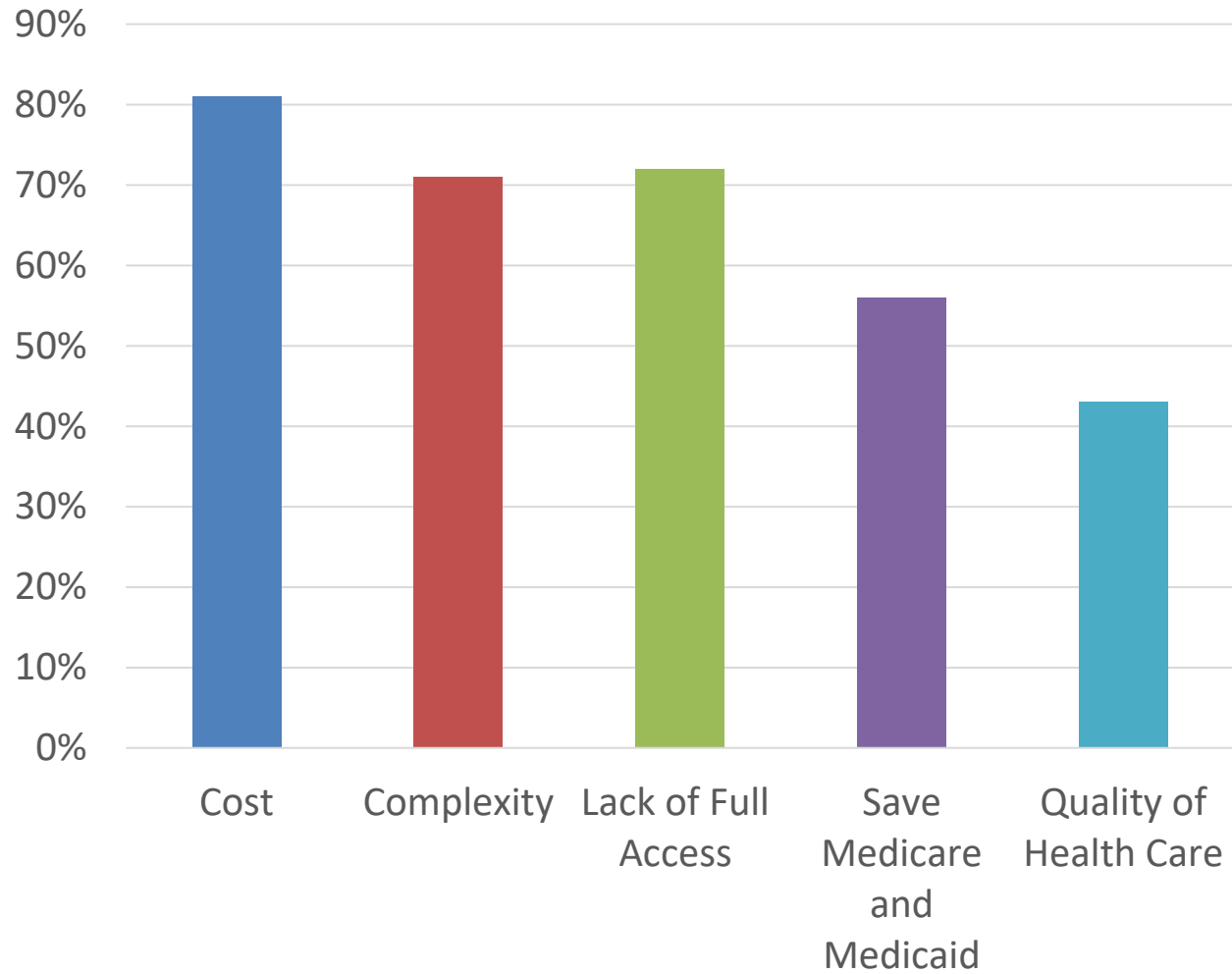


Is the increasing cost of health care a problem?



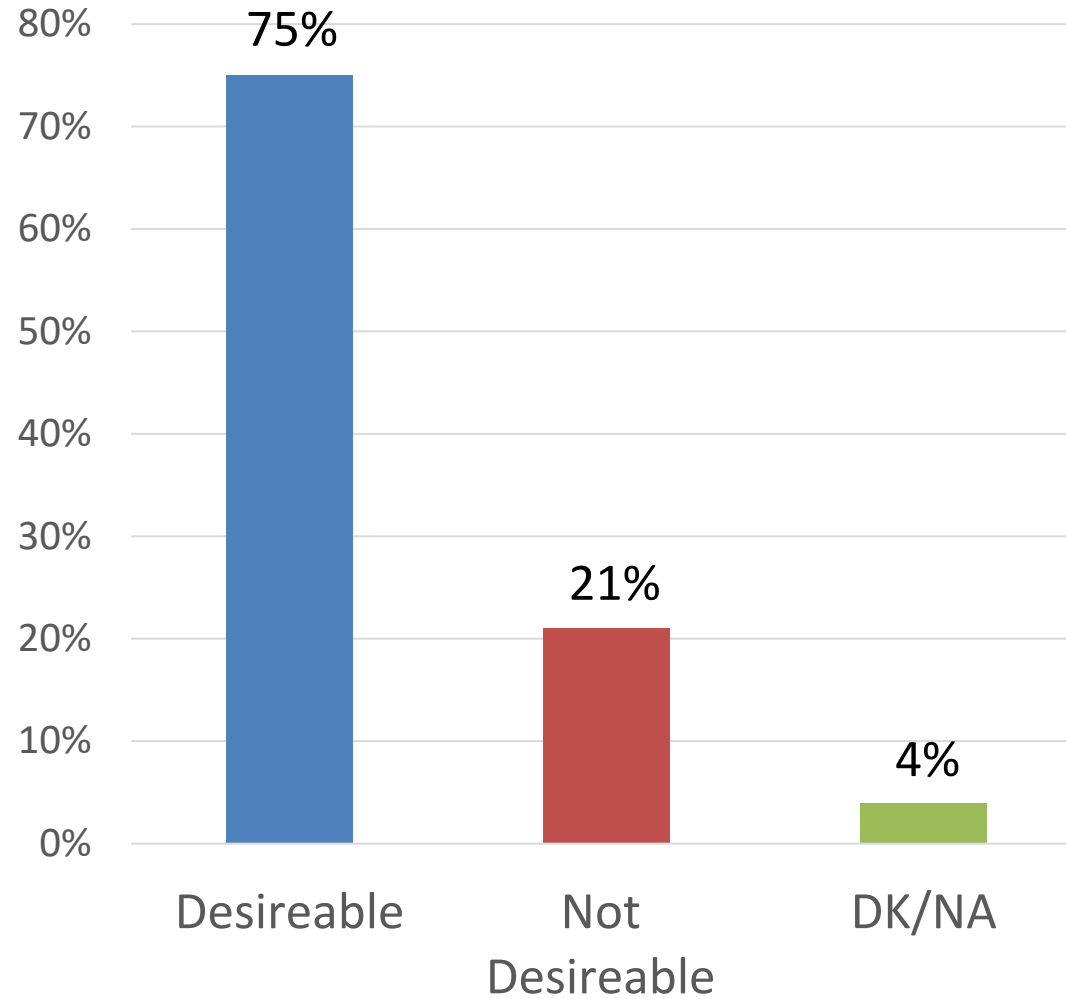


Identified as Major Problems





Is Universal Care a Desireable Solution?



Would you support or oppose

Full lifetime health care

- Including vision, dental, and hearing
- For every person in Oregon

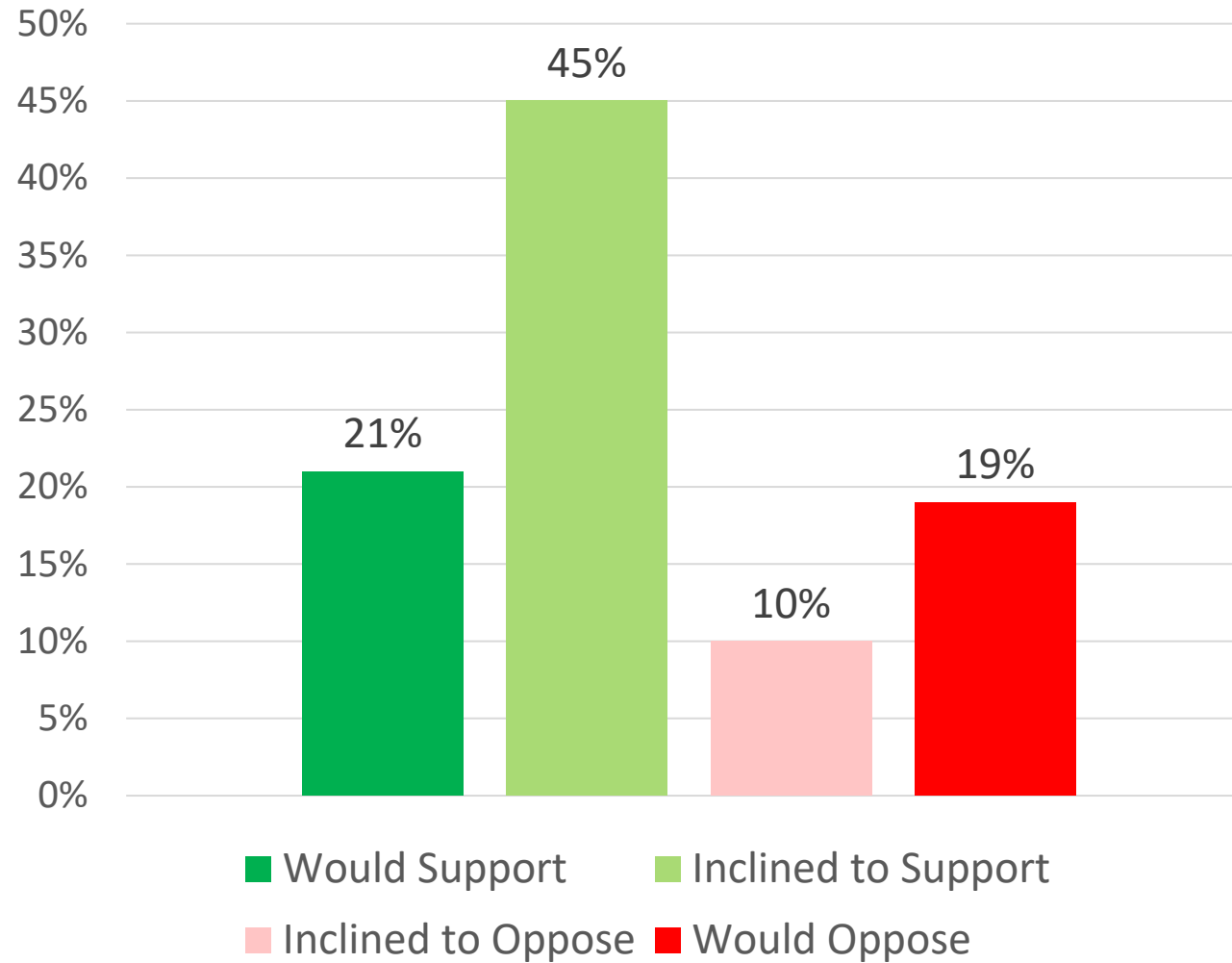
No direct medical costs

- No private insurance premiums
- No copays or deductibles

Funded by a new health care tax paid to a state agency



Voter Support for Oregon Health Care Tax to Replace Premiums and Other Expenses



Added Details About Tax

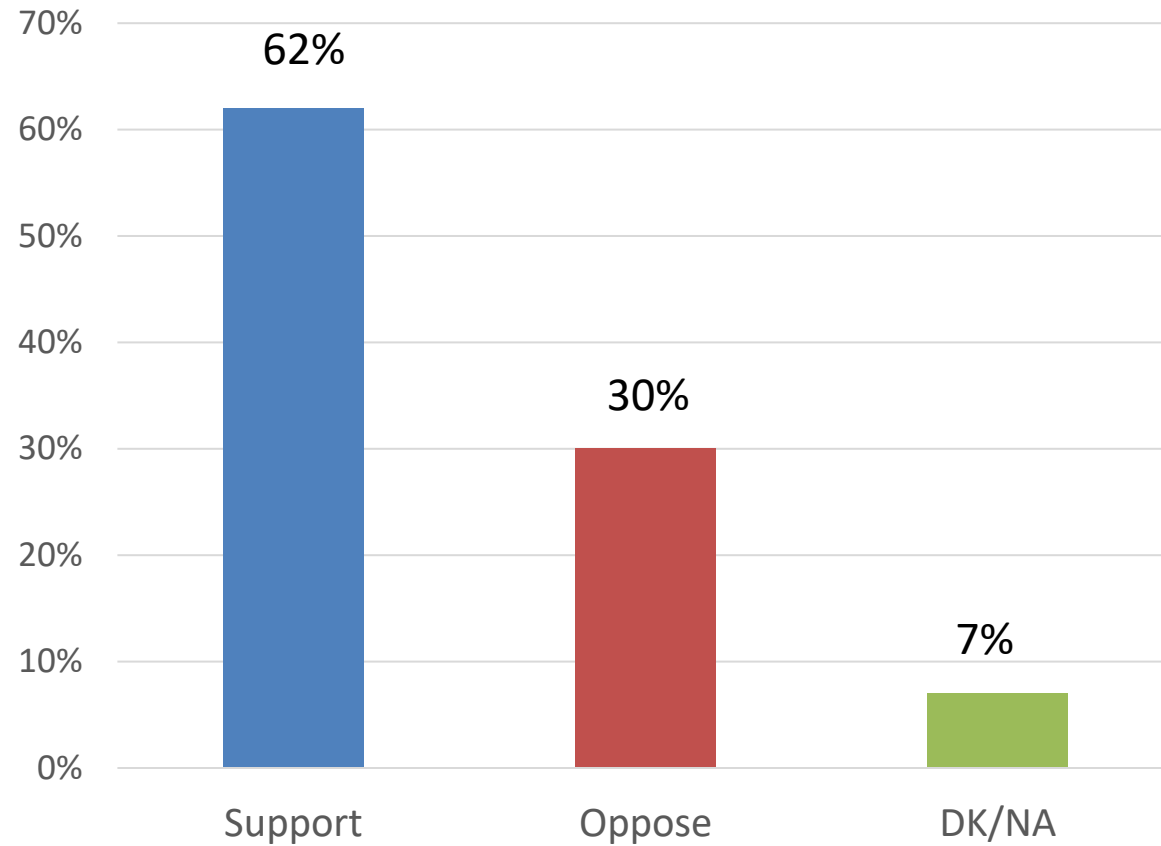
The tax would be two to three times as much as Oregon's income tax

A typical household would pay less than the cost of current premiums

Employers will continue to pay about the same amount toward health care

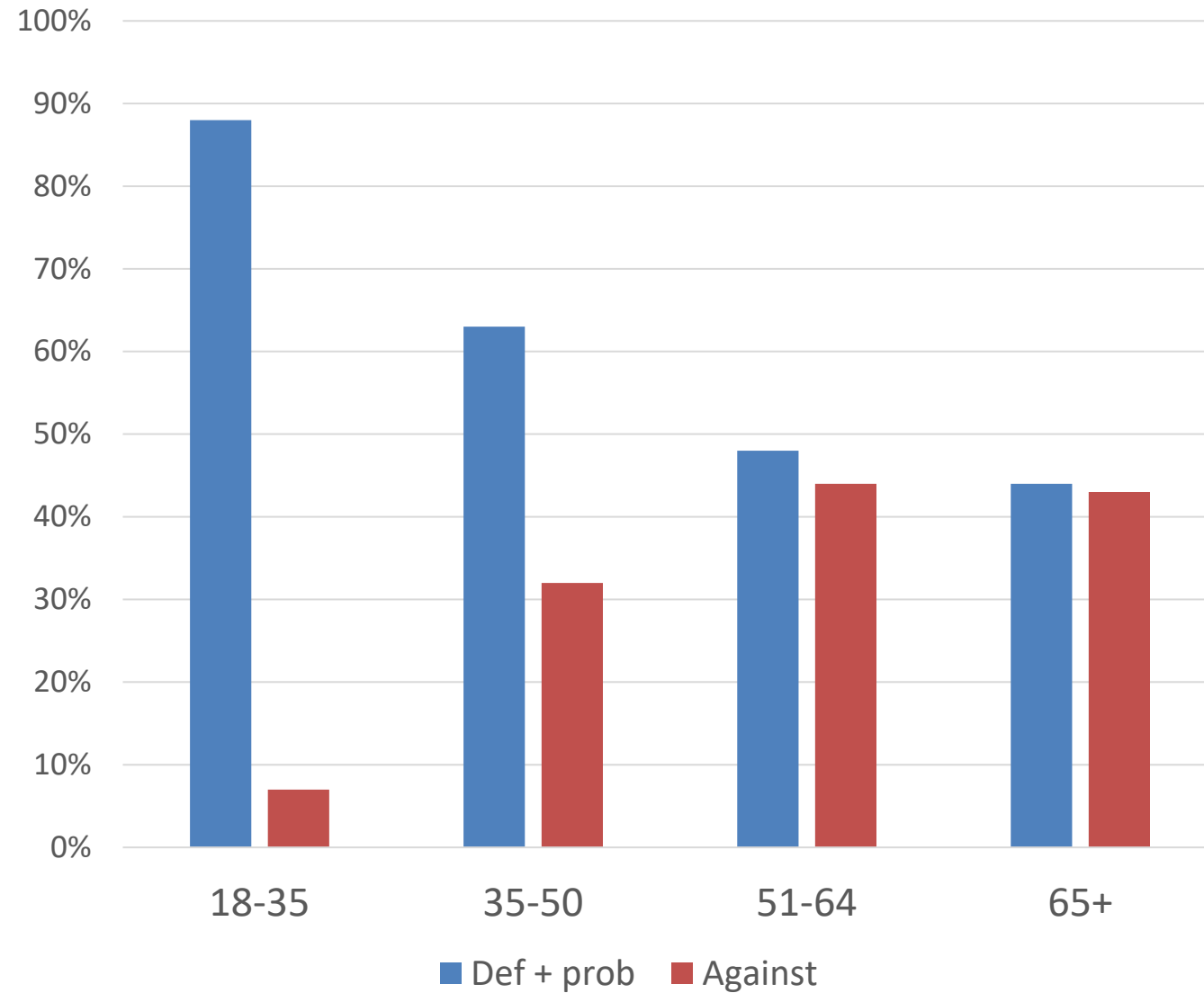


Support for an Oregon Health Care Tax that Provides Care to Everyone



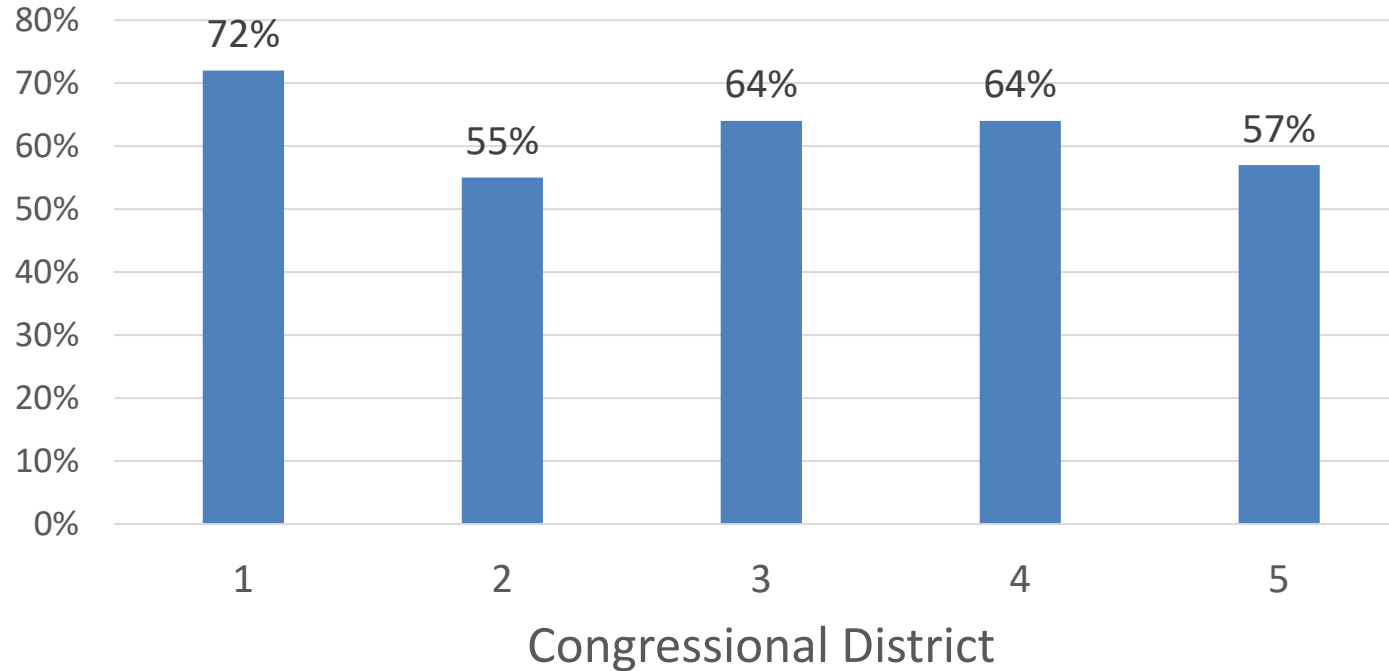


Support for Health Care Tax by Age





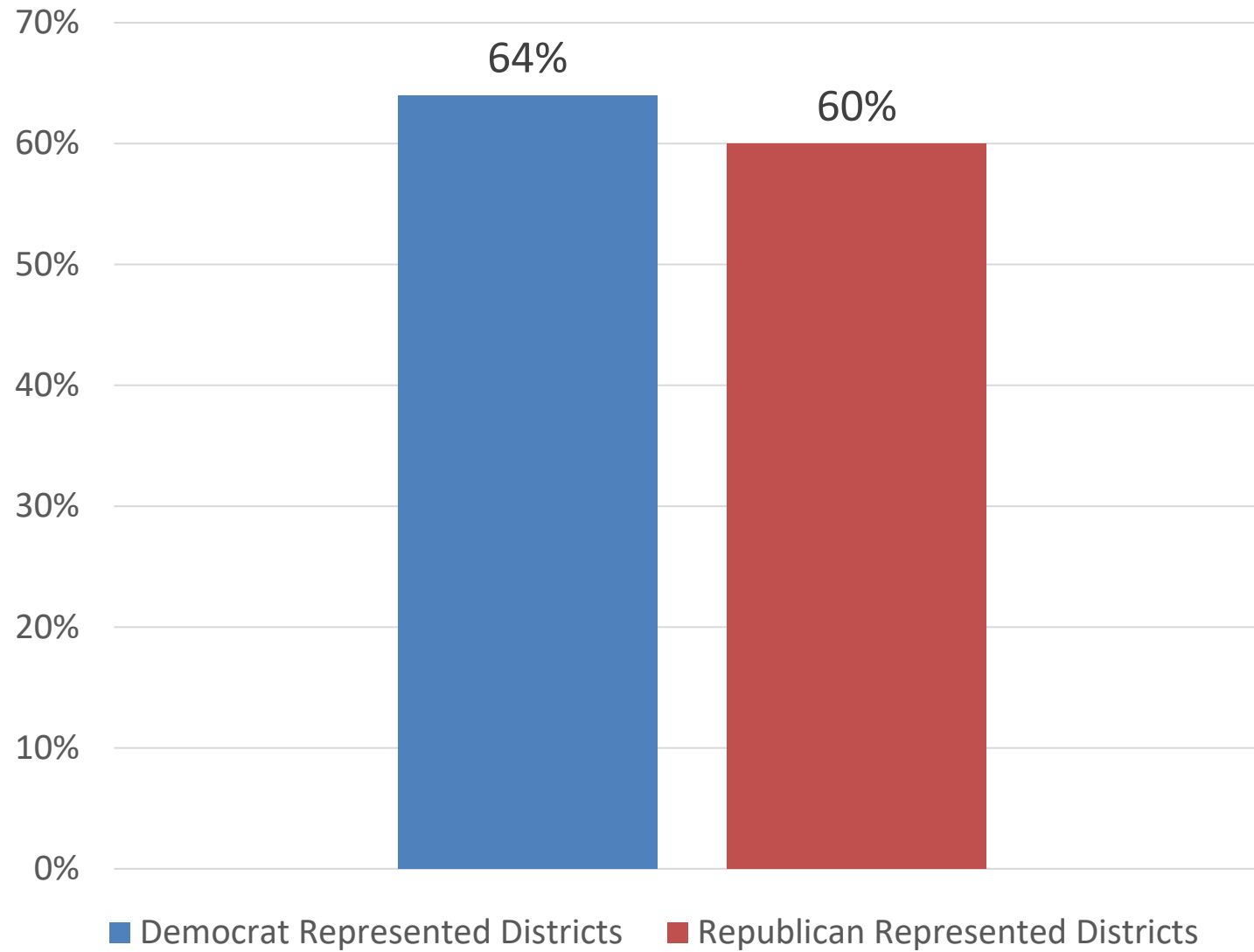
Majority Support for Oregon Health Care Tax Holds in All Five Congressional Districts



1. Suzanne Bonamici
2. Greg Walden
3. Earl Blumenauer
4. Peter DeFazio
5. Kurt Schrader

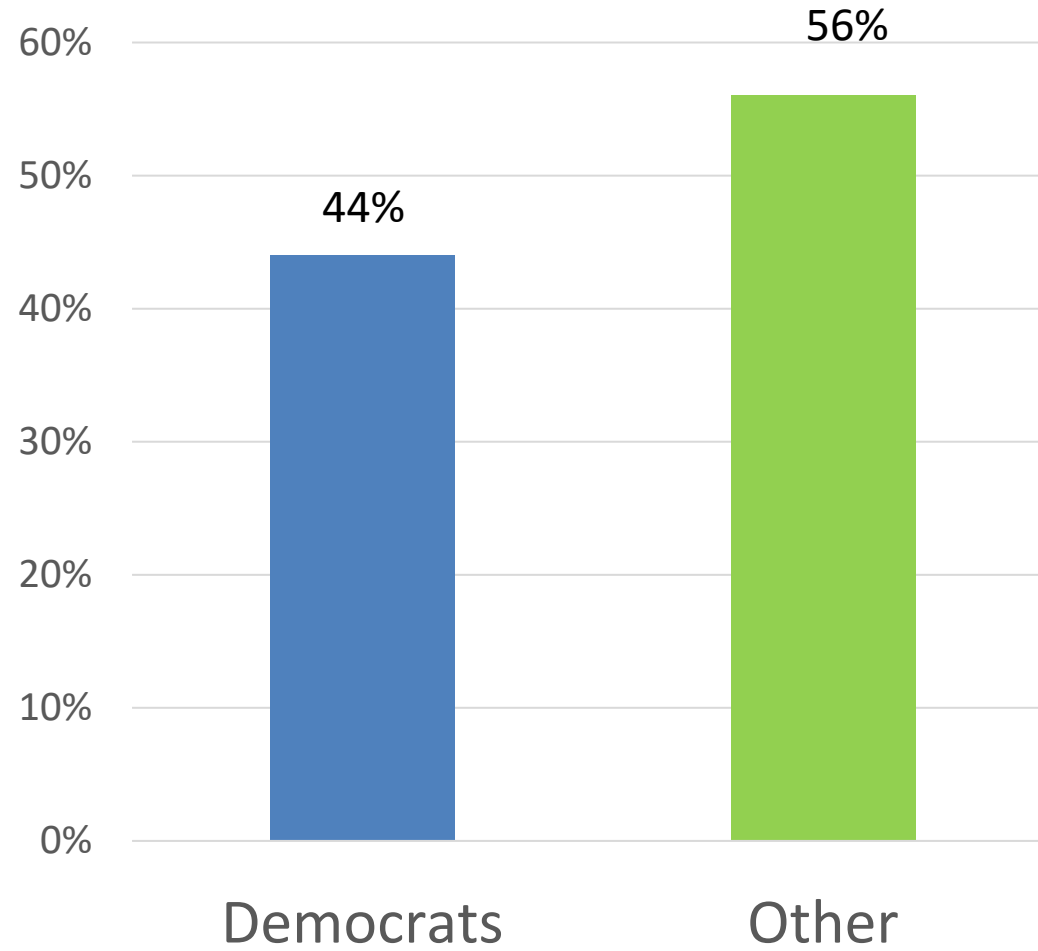


Support for Health Care Tax by House Districts



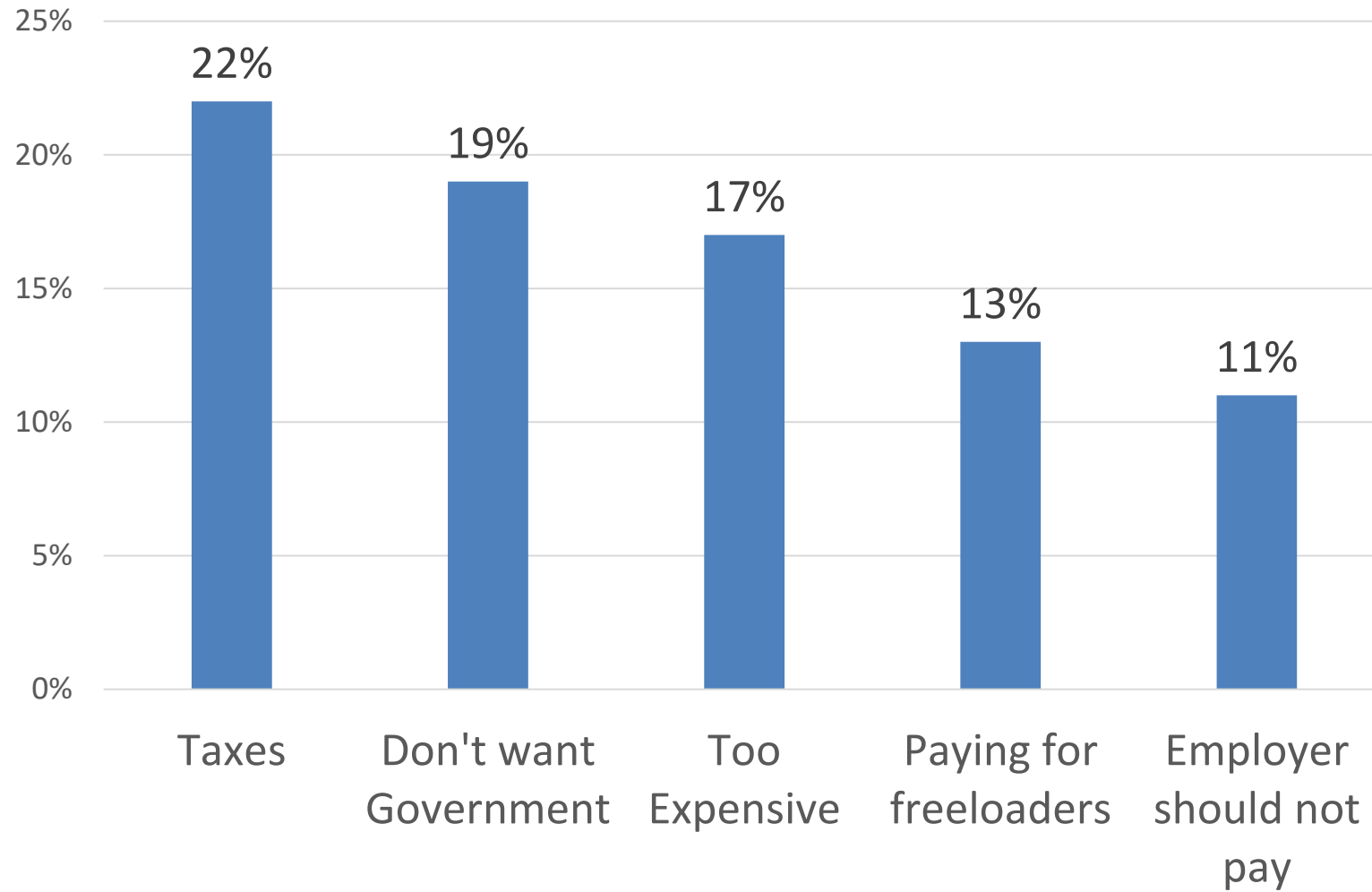


Where does support for health care tax come from?





Top reasons for Opposing Universal Care



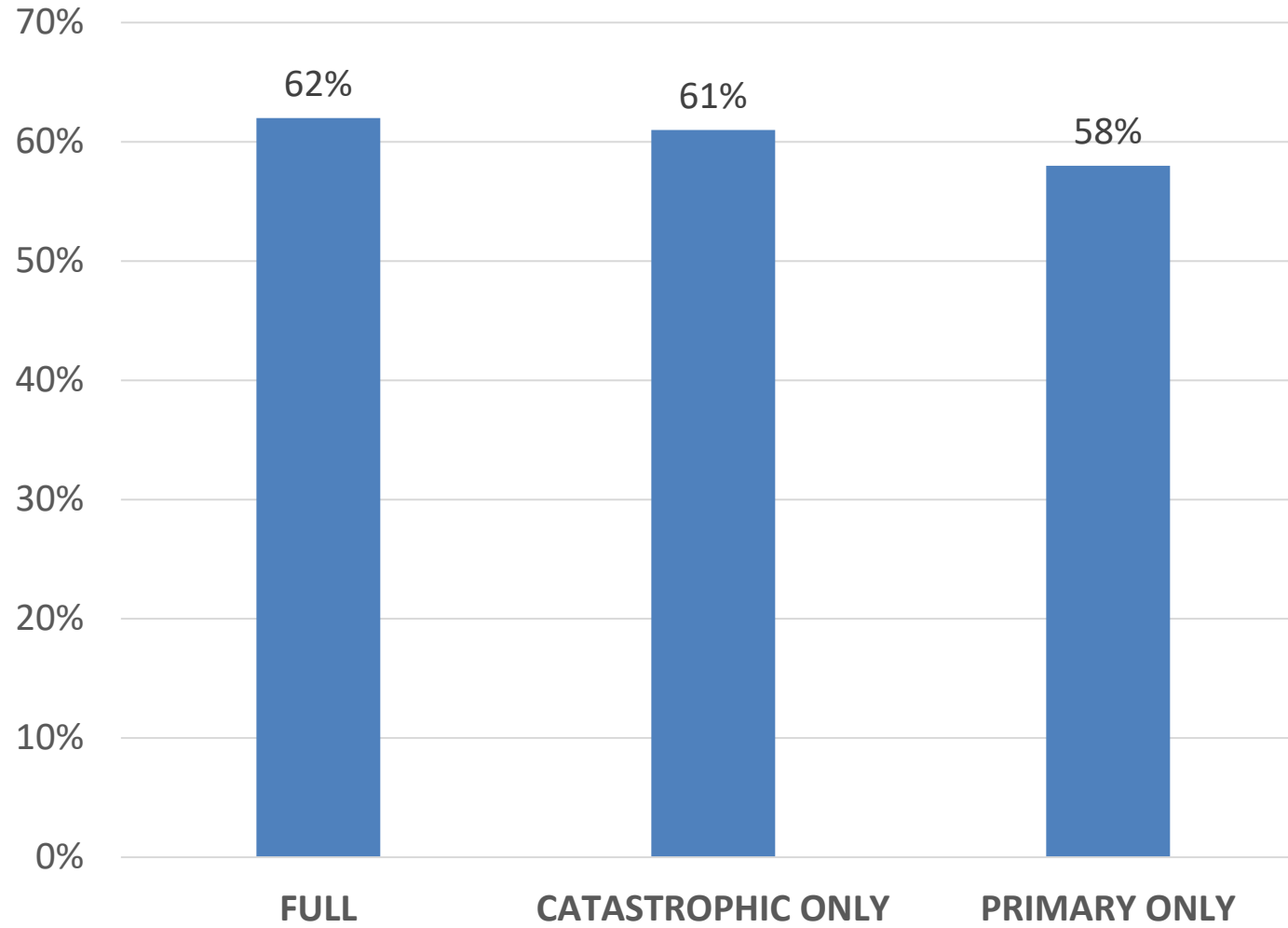
Incremental Options for Universal Care

Smaller Tax for catastrophic care for everyone

Smaller tax for basic primary care for everyone

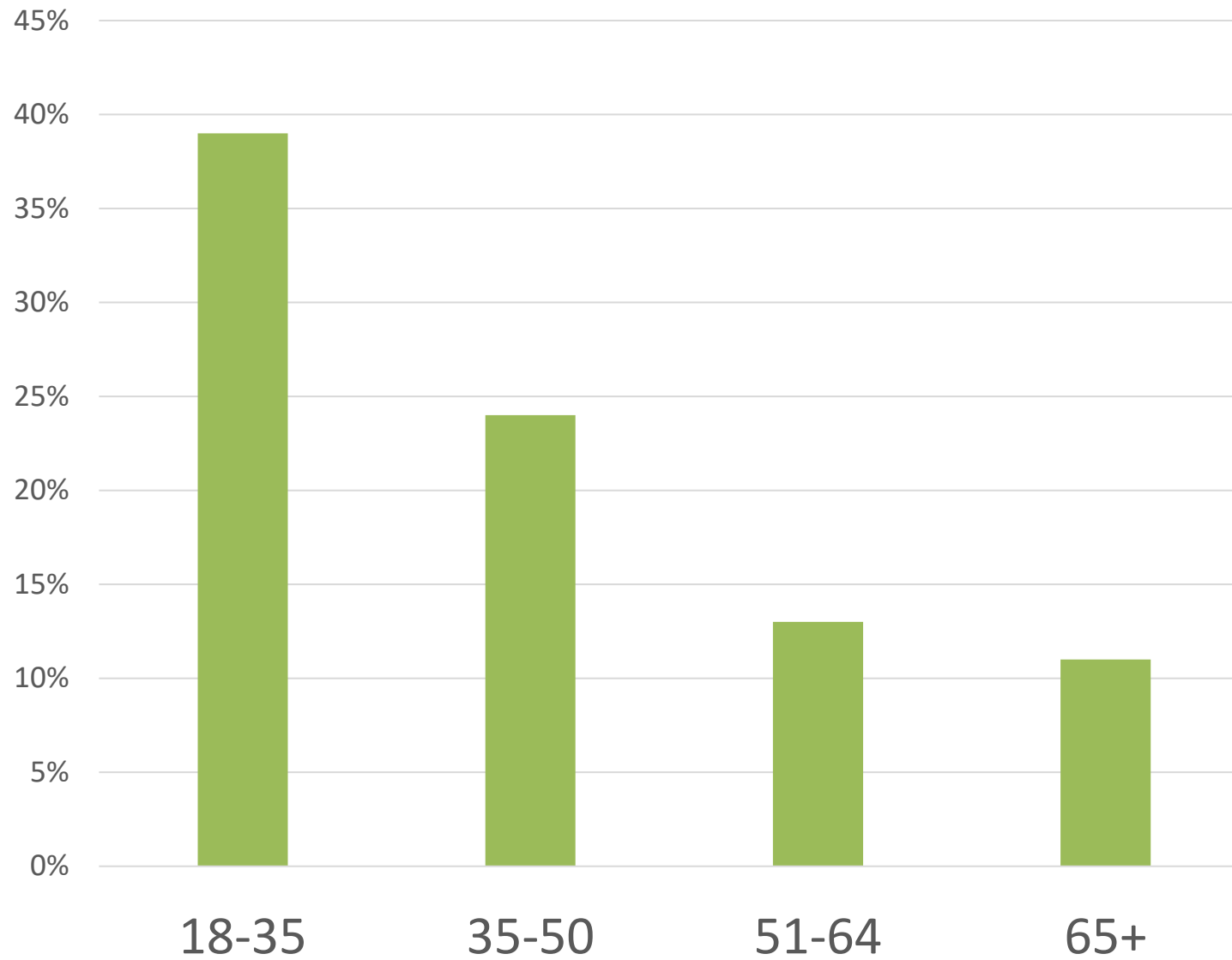


Comparative Support for Funding Full UHC vs Partial Implementation





Support for Public Hospitals and Clinics by Age



Poll Conclusions on Universal Care

PROBLEM: Cost, Complexity, and Lack of Full Access

POTENTIAL SOLUTION: Universal care polled well at 75%

POTENTIAL SUPPORT FOR TAX: Higher than expected

- Age dependent
- Less partisan than political parties try to make it sound.

Why does this poll show higher support?

The problem-solving approach?

Non-political language of the questions?

Oregon voters are different from national voters?

State vs. federal program?

ELWAY CONCLUSIONS



“It is easier to tell a pollster that one favors a new health care tax than it is to actually vote for one. Still, with 6 in 10 respondents open to a measure that would eliminate or replace private insurance, establish a new state agency and a new health care tax to fund it, these findings indicate that Oregon voters are ready to have that discussion.”

Specialty Interest Forums

Health Systems & Hospitals | Providers | Unions | Businesses | Carriers

Diana Bianco, Artemis Consulting

What
excites you
about the
proposal?

Access to health care

No Co-pay or deductible

Full coverage and benefits

Decoupling employment & insurance

Simplifying insurance and administration

Potential to improve capacity

Regional and local entities

Attention to equity and social determinants of health

Health Systems & Hospitals

Workforce

System Capacity &
Utilization

Clear Transition
Plan

Regional and Local
Involvement and
Control

Payment Process –
In and Out of State

Younger Adults
(18-26)

Variety of Health
Reform Proposals
Currently
Underway

Health Care Professionals & Providers

Ensuring Health
Care Quality &
Patient Safety

Evidence-Based
Decision Making

Workforce

Provider Capacity

Increase
Utilization

Avoid Recreating
Current Issues in
New System

Clear Transition &
Implementation
Plan

Long Term Care

Insurance Carriers*

Tax Increases

Job Losses

Unrealistic
Cost Savings

Untested
Medicare
Waiver Proposal

ERISA
Plausability

*Written [Feedback](#): Kaiser Permanente, Moda Health, PacificSource, Providence Health Plan, and Regence

Unions

Level of
Benefits

Multi-State
Employers

Wages vs
Taxes

ERISA

Mobile
Workforce

Younger
Adults

Large and Small Employers

Employer Size

New Taxes

New
Regulatory
Costs

Small
Employers
Taxed More

Personal
Income Tax vs
Employer Tax

Oregon
Farming
Industry

Type of
Employees

Additional Feedback from Businesses*

Clearer Details on
Administration and
Implementation

Additional Taxes/
New Cost Burdens
– Small businesses

ERISA

Multiple State
Employees

Wages vs Taxes

Overall Oregon
Economy

* Written letters from Oregon Business & Industry (OBI), & Associated General Contractors (AGC)

Additional Feedback*

Oregon farmers and ranchers cannot afford the significant personal income and payroll tax increases

Doubts regarding the ability of the state to administer such a program

Additional tax would drive the family farm out of our state, allowing more large-scale, corporate farms to enter

Lower ability to compete with other states

Wages vs Taxes:
Increased taxes hinder the ability to provide good wages to employees

* Written letters from [Oregon Farm Bureau](#) & [Duckwall Fruit](#)



Intermission



Member Topics for Review

Joint Task Force on Universal Care

July 28, 2022

Review Process



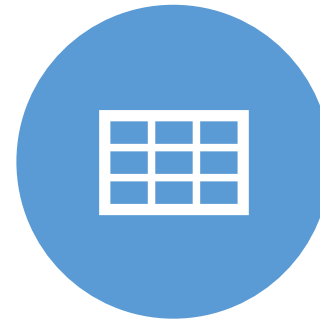
Topics identified by Task Force members and shared with the chair



For each issue, staff collated member comments



Presentation includes issues for clarification or revision



Members are provided with options for each topic

Topics identified by members

Behavioral Health (Cheryl, Dwight)

Health Equity (Zeenia, John)

Workers Compensation (Dwight, Warren, Sam, John)

Border state employees (Chuck, Dwight, Warren, Sam)

Personal Income Tax (Zeenia, Warren, Sam, Sharon)

Revisit Cost Drivers (as above, to reduce PIT rates)

Payroll Tax — Small Employers (Dwight, Warren)

Medicare (Sam, John)

Behavioral Health

Member Comments: Will benefits include housing supports and other social determinants of health (SDOH)? State hospital? Intensive, team-based care? Forensic services? Coverage of non-licensed providers like peers and qualified mental health associates (QMHAs)?

Clarification(s): Expenditure and revenues for Oregon State Hospital and community behavioral health programs are included in estimates.

Task Force Options:

- Direct the Transition Commission to study and recommend specific strategies for access and reimbursement for BH services, **OR**
- Members create a specific policy to expand access to BH services

Health Equity

Member Comments: Revisit and strengthen language around SDOH to specify covered benefits. Specify coverage of gender affirming care. Highlight elements of plan that increase equity.

Clarification(s): proposed PEBB plans currently covers gender affirming care.

Task Force Options:

- Members and staff highlight health equity (including gender-affirming care) in Final Report, **OR**
- Members create policies and coverage categories for SDOH

Workers Compensation

Member comments: Single payer coverage of on-the-job injuries would reduce administrative costs. How to ensure that employers will prioritize safety? How do we assign cost for activities that pose a higher risk? New liability tax?

Clarification(s): Optumas assumed that workers compensation would remain separate from Plan; employers are responsible for employee safety.

Task Force Options:

- Leave the Workers Comp system intact, with employers holding risk, **OR**
- Direct Transition Commission to study further impacts and policies to fold Workers Comp into the Single Payer

Border State Employees

Clarification(s): The cost of care for border state employees and dependents is \$1.49B. To exclude them from the plan could subtract 0.35B from current revenue estimates. Assuming a broad tax base, including border state residents could add 0.70B to revenue estimates. Task Force would need to be further develop tax policy to determine revenue impact with more precision. Estimates subject to further refinement by Optumas and LRO.

Task Force Options:

- Remove border state employees from the plan
 - Reduce 1.49 cost, reduce 0.35 from revenue; **OR**
- Include border state residents with broad tax base
 - Keep 1.49 cost, add 0.70 to revenue; **OR**
- Members revise policies & request updated estimates

Personal Income Tax

Member Comments: Consider higher personal income tax (PIT) rates for higher incomes. Alternatively, keep rates in proportion with existing rates as proposed rates are too high. Should the Task Force recommend rates, or the legislature?

Clarification(s): Tax on income over 400% FPL is a flat rate of 9.3%

Task Force Options:

- Leave further revenue analysis to the legislature, **OR**
- Members create rates to be more or less progressive, **OR**
- Revisit cost drivers to reduce revenue needs and thus lower rates

Revisit Cost Drivers

Task Force Options:

- Change benefit plan, **OR**
- Introduce cost share, **OR**
- Reduce admin savings kept by health systems (Hsiao, Optumas: 8-12%), **OR**
- No Change

Administrative Savings

- Currently, estimate is 4% = \$2.23B
- Assuming 8%, total savings is \$4.46B
- Assuming 10%, total savings is \$5.58B
- Assuming 12%, total savings is \$6.70B

Why cost matters

Cost Savings (2026B)

Increase 4% savings to 10%	\$3.35
Exclude Border State Employees	\$1.14
Total	\$4.49

Income Tax (2026B)

Without Savings	\$8.50
With Cost Savings (-4.49)	\$4.11

Cost savings would reduce the income tax revenue needed.

Payroll Tax – Small Employers

Member comments: Concern about impact on small employers not currently required to cover employees. Exclude small employers (<25)? Size is easy for employers to game—consider not only # of employees but also revenue/employee.

Clarification(s): none.

Task Force Options:

- Direct the Transition Commission to study the economic impact on employers of different sizes and develop policies, **OR**
- Members create policy to address impact on small employers

Medicare - Clarifications

Member comments: Model includes cost of tracking Medicare. Consider scenarios with and without change to federal law.

Clarification(s):

- Optumas assume that Oregon's single payer will secure the federal government's contribution to the cost of care for Medicare-eligible Oregonians.
- It is assumed that CMS will continue to require reporting of costs/services for Medicare-eligible enrollees
- ERA Work Group assumes Medicare-eligible residents will continue to pay Part B (\$1.96b) and Part D (\$141m) premiums. Premiums go to the single payer, off-setting the need for new revenue.
- To the extent taxpayers aged 65 or over have wage income, they could be affected by the payroll tax. To the extent they have income other than Social Security, they could be affected by the income tax.
- PIT and payroll tax policies would need to be further developed to estimate revenues from people over age 65.

Medicare Estimates

(2026 basis - 4% Assumed Administrative Costs - Results in Billions)

	Total Costs	Administration Component Only	New State Fund Revenue Need
With Medicare	\$55.86	\$2.15	\$21.34
Without Medicare	\$40.85	\$1.57	\$20.33
Incremental Change	-\$15.01	-\$0.58	-\$1.02

“With Medicare”: UHP secures federal Medicare funds, receives Part B and D premiums, and provides PEBB-like benefits to Oregon’s Medicare-eligible. Medicare-eligible population pays Part B, Part D, payroll tax and PIT.

“Without Medicare”: Medicare-eligible Oregonians continue to enroll in Medicare, pay premiums, and receive care reimbursed by Medicare. Revenue estimates do include this population; further analysis is needed.

Clarification: Cost difference driven by rebalanced rates for providers.

Task Force: Address contingencies in member summary and plan analysis.

Public Comment

July 28, 2022

Emails to JTFUHC@oregonlegislature.gov

“The universal health care proposal under consideration would place a crippling burden on Oregonian families and employers struggling to recover from the COVID pandemic and hard hit by inflation. Oregonians simply cannot afford to pay the \$21 billion in payroll and personal income taxes needed to create a single-payer system, especially when most people in Oregon already have access to health care Please do not move forward with this ill-timed and ill-conceived idea.” – 67 individuals

“It is more than worth it to make the change to take care of all the residents in this state.” + Incl. complementary health.

Specific coverage questions: bariatric surgery, equipment & modifications for occupational therapy (ramps, shower chairs, raised toilet seats, and grab bars).

[Universal Health Care Could Have Saved More Than 330,000 U.S. Lives during COVID.](#) - via *Scientific American*. -- HCAO

Emails to JTFUHC@oregonlegislature.gov

“Wholehearted” endorsement of the Universal Health Plan Proposal-- especially increasing MH services. -- *Psych Nurse Practitioner*

Questions: Cost of Universal Health Plan vs. Status Quo?

Consider: Will more people move to Oregon?

[Project Access Now](#)

Supports: No means testing or income limits; No premiums, deductibles, or co-pays; including Medicaid and Medicare, behavioral health and dental coverage; increased provider reimbursement.

Comments/Concerns: Diverse representation on Board for the plan; savings should move downstream to consumers; Community Health Workers should be included; Behavioral Health and SDOH—how paid for? Enrollment/outreach should be culturally-specific; Removing ANY and all potential barriers to provider participation; make formulary exhaustive and allow exceptions.

Wrapping Up



Next meetings:

August 18 , 1-5 pm
September 1, 1-5 pm
September 15, 1-5 pm
September 29, 1-5 pm



Questions and comments:

JTFUHC@oregonlegislature.gov