

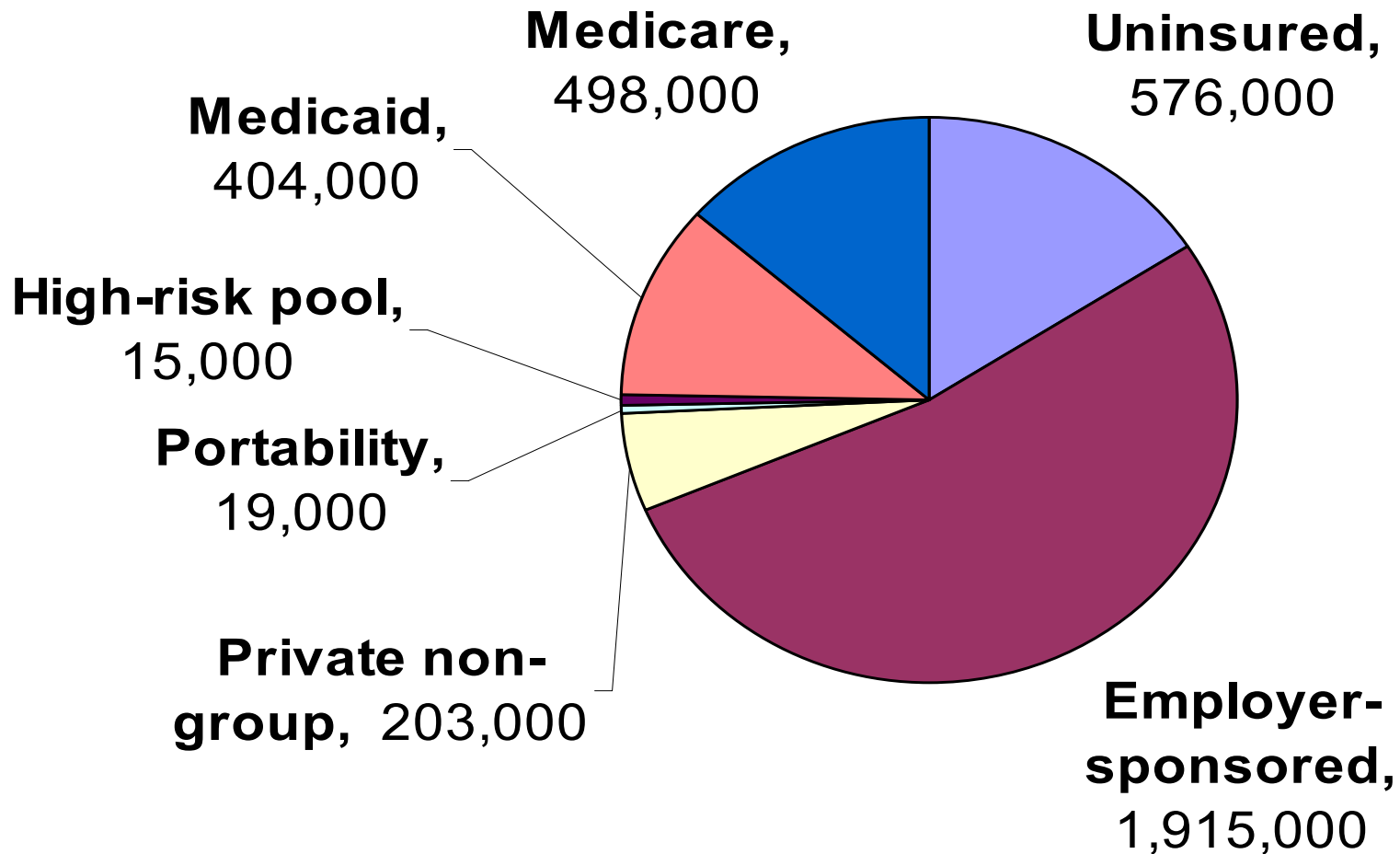


Trends in Coverage Oregon, 2006

Presentation to the Oregon Health
Fund Board

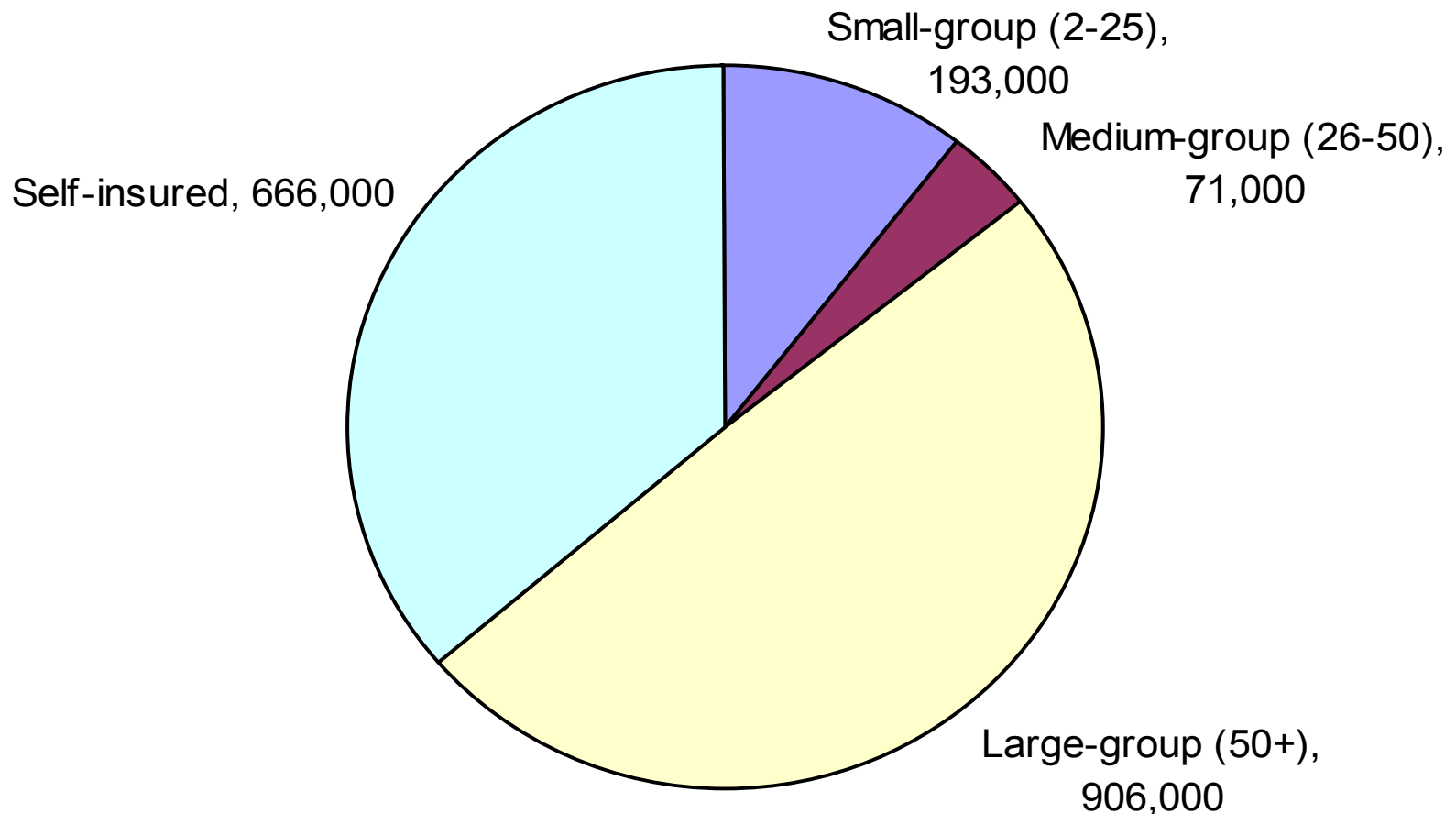
October 30, 2007

The majority of Oregonians are covered by employer-sponsored insurance (total pop = 3.7 million)



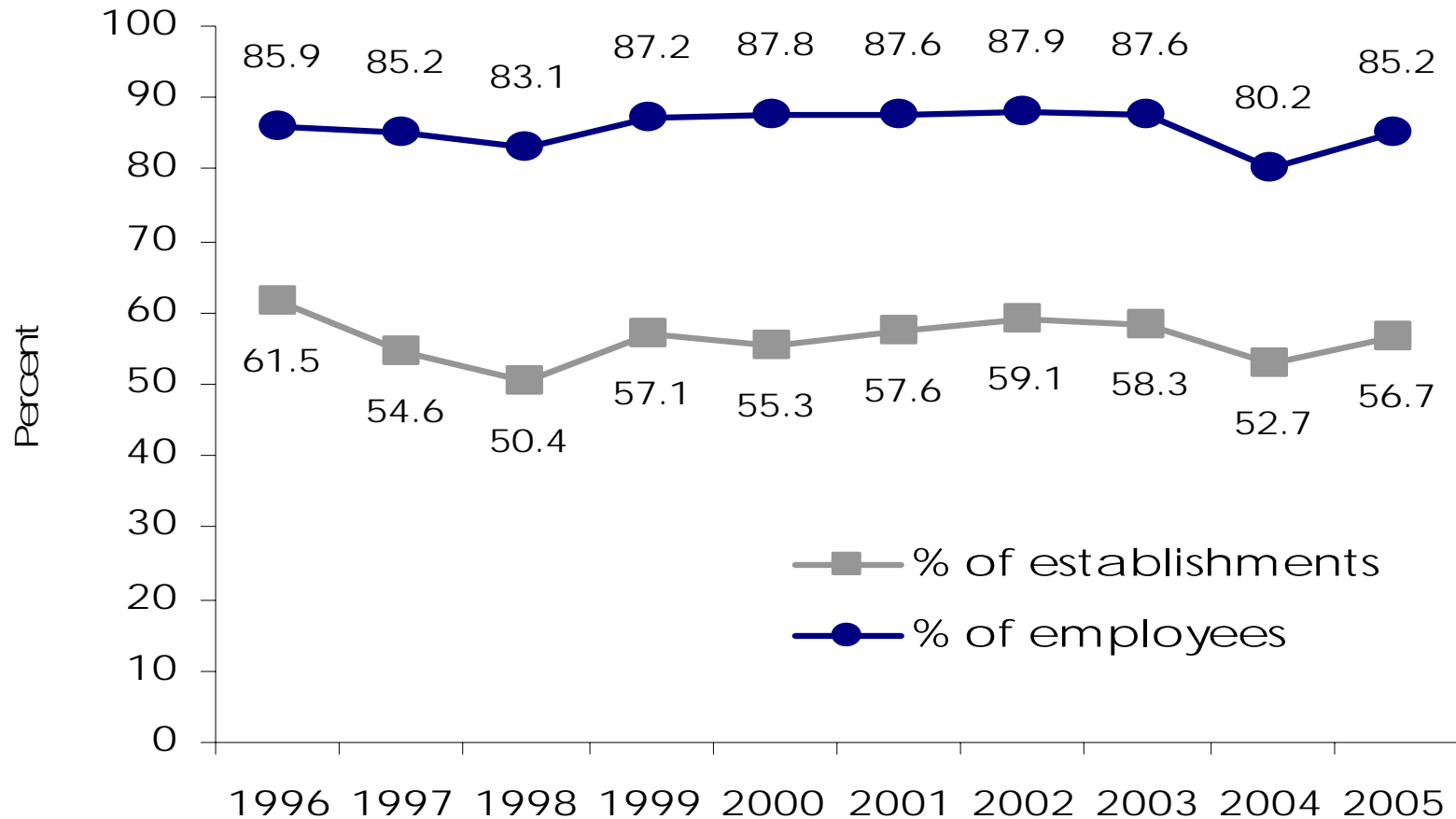
Roughly half of commercially insured are part of a large group plan

Distribution of commercial insurance in Oregon



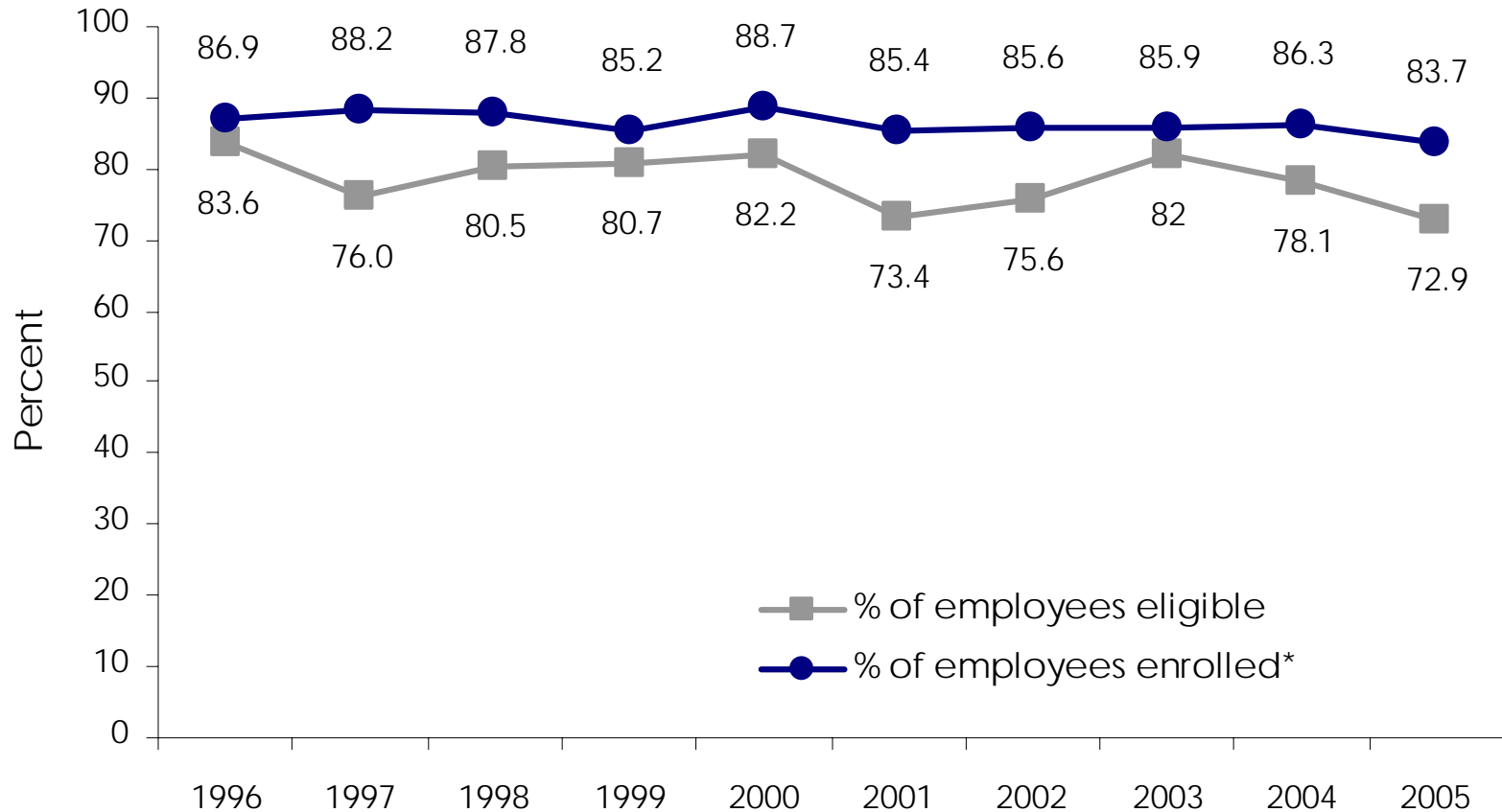
The percent of private businesses offering health insurance coverage has not changed significantly...

Percent of private establishments providing health insurance and percent of private employees working for businesses that offer insurance, Oregon



But the percentage of Oregon employees who are eligible has declined

Percent of private employees eligible for employer-sponsored insurance and the percent of those eligible who are enrolled, Oregon

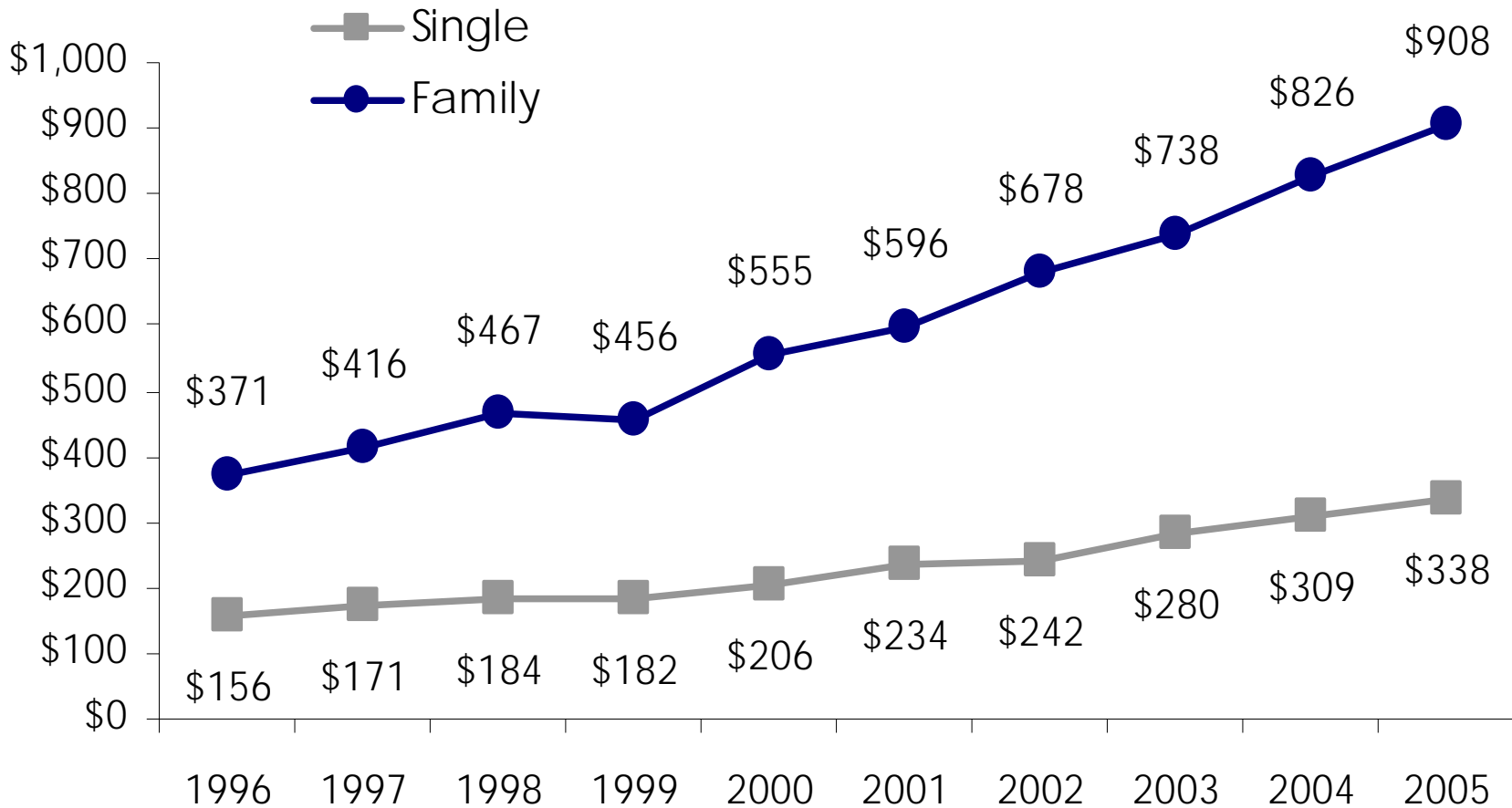


*As a percent of those eligible.

Source: Medical Expenditure Panel Survey, MEPSnet Insurance Component.

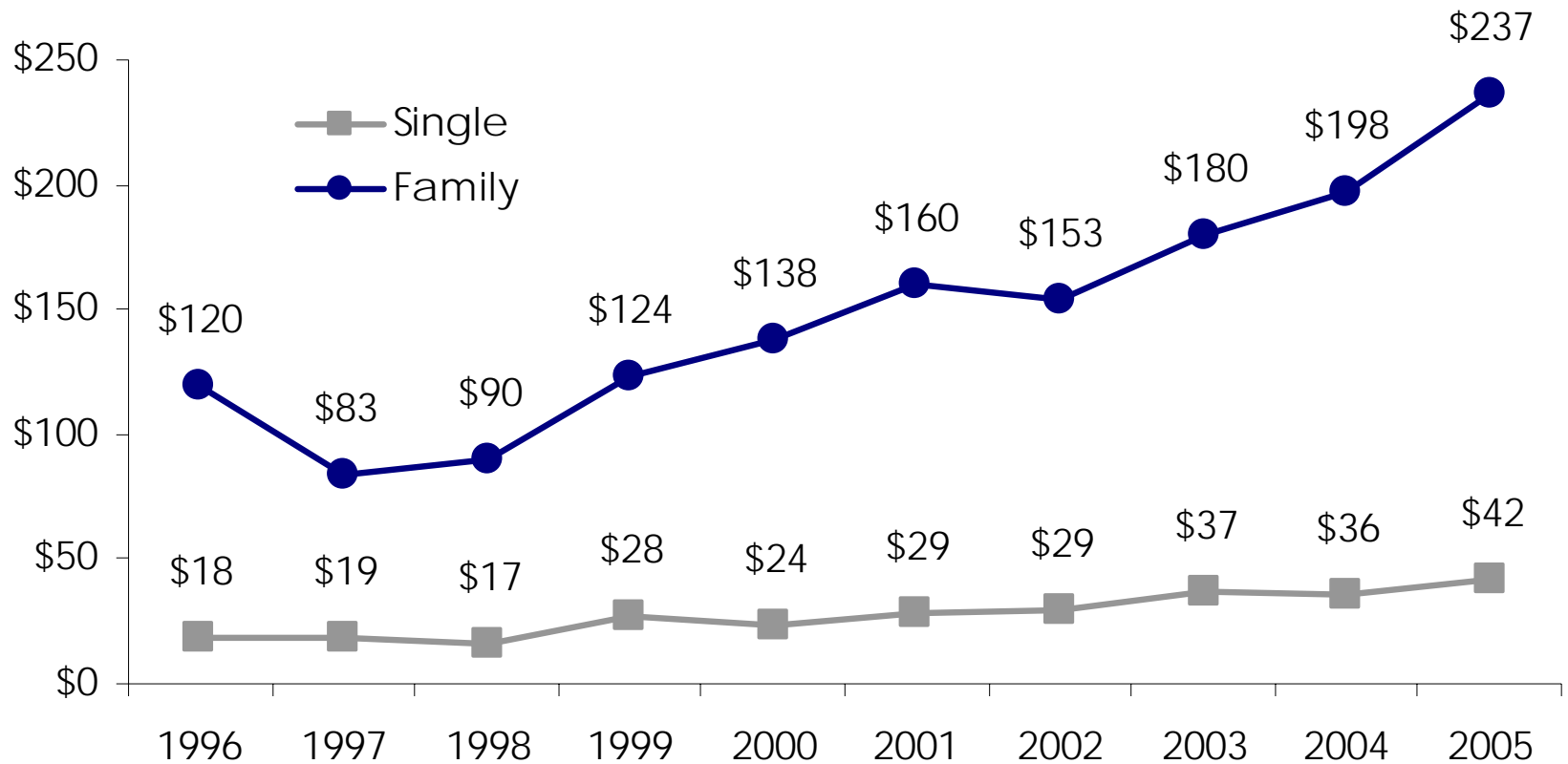
Premium costs have steadily increased in Oregon

Average Total Monthly Premium



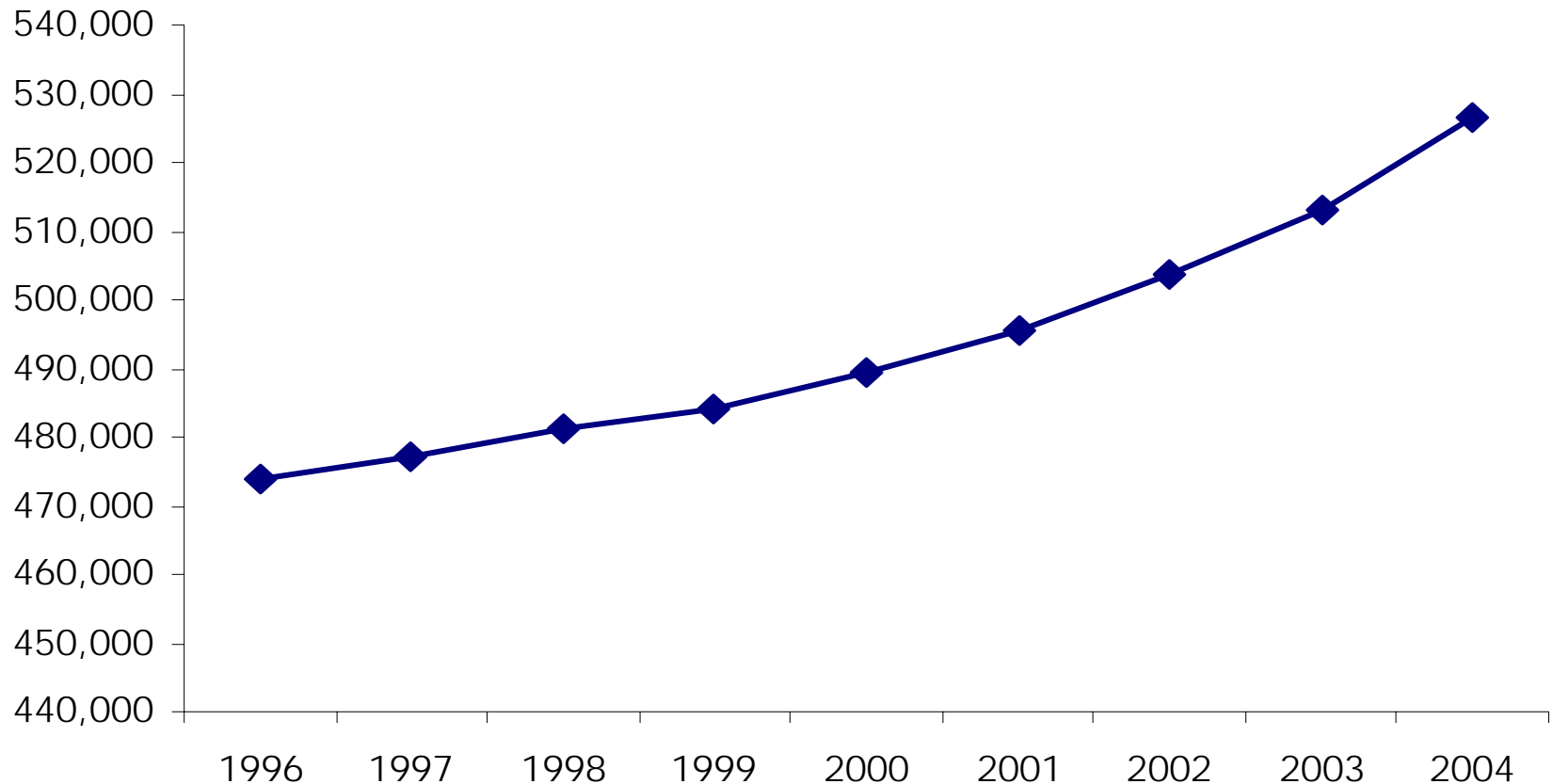
Employee contribution requirements have increased

Average Monthly Total Employee Contribution, Oregon



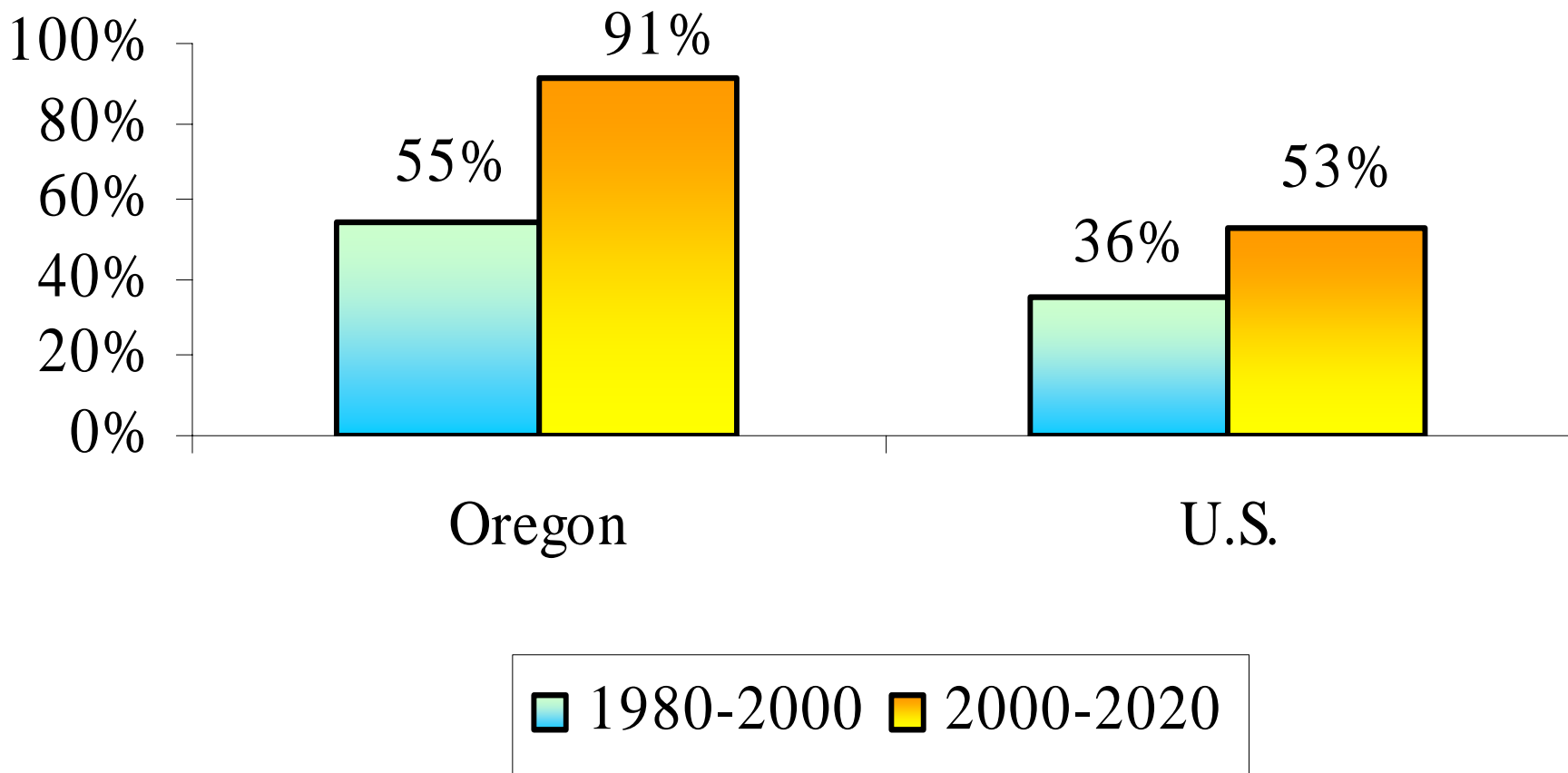
Medicare enrollment has grown with the aging population

Medicare enrollment, Oregon



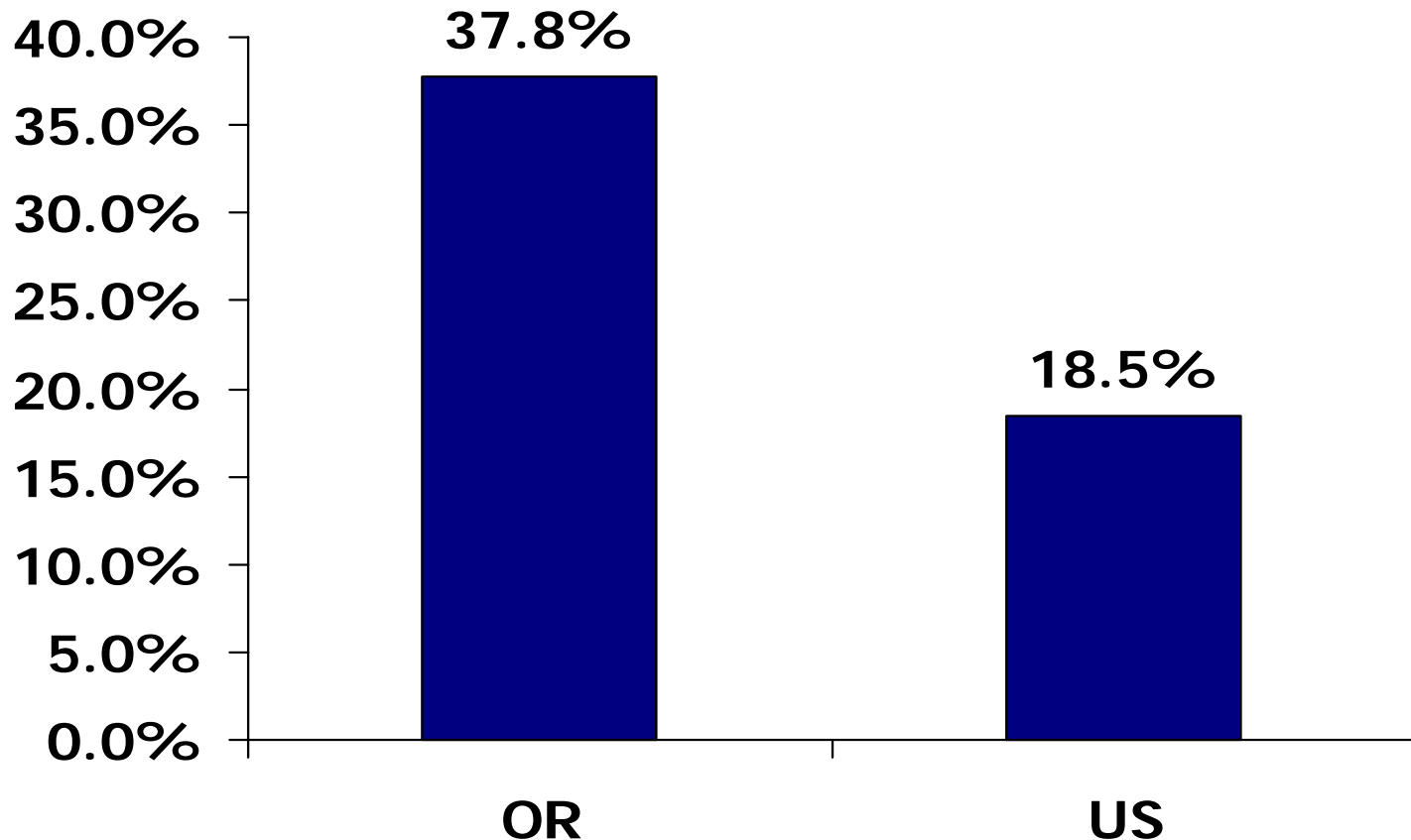
Oregon's 65+ population is increasing rapidly

Projected percentage change in population 65+ years of age



Oregon leads country in Medicare Advantage enrollment *

Number of Medicare Advantage plan enrollees as a share of total Medicare beneficiaries



*Puerto Rico has MA penetration rate of 53.3%; OR has highest rate of states

Source: Kaiser Family Foundation, Medicare Health and Prescription Drug Plan Tracker



Who is covered by the Oregon Health Plan?

Mandatory Medicaid Populations

- Low-income elderly, blind & disabled
- Families receiving Temporary Assistance for Needy Families (TANF)
- Low-income foster children
- Low-income children
- Low-income pregnant women



Who is covered by the Oregon Health Plan?

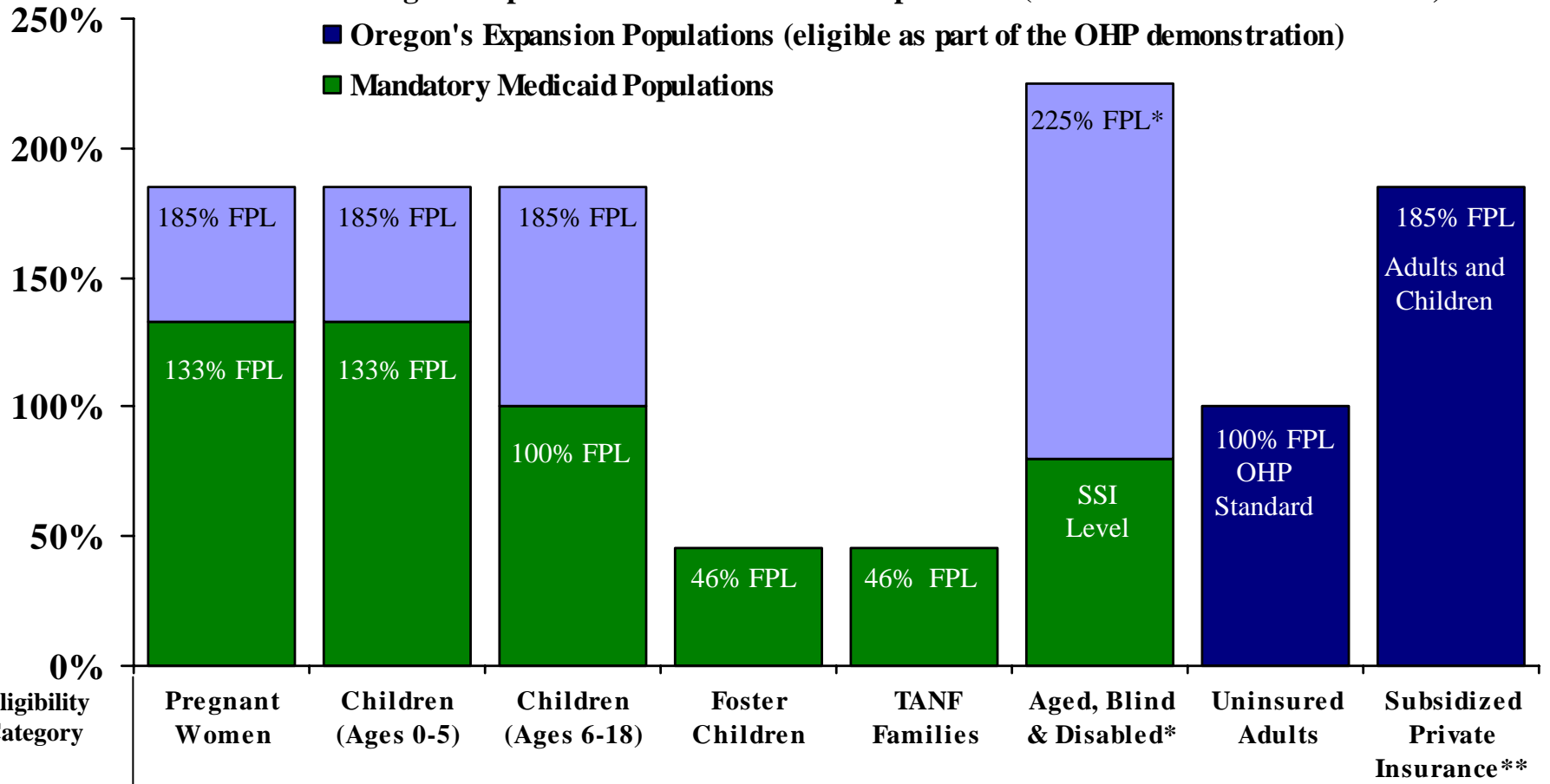
Expansion Populations

- Low-income uninsured adults
- Subsidies to help low-income adults and families purchase private insurance (Family Health Insurance Assistance Program)

Oregon Health Plan Eligibility Categories by Percentage of Poverty Level (FPL)

% of FPL

- Oregon's Optional Medicaid & SCHIP Populations (without an OHP demonstration)
- Oregon's Expansion Populations (eligible as part of the OHP demonstration)
- Mandatory Medicaid Populations

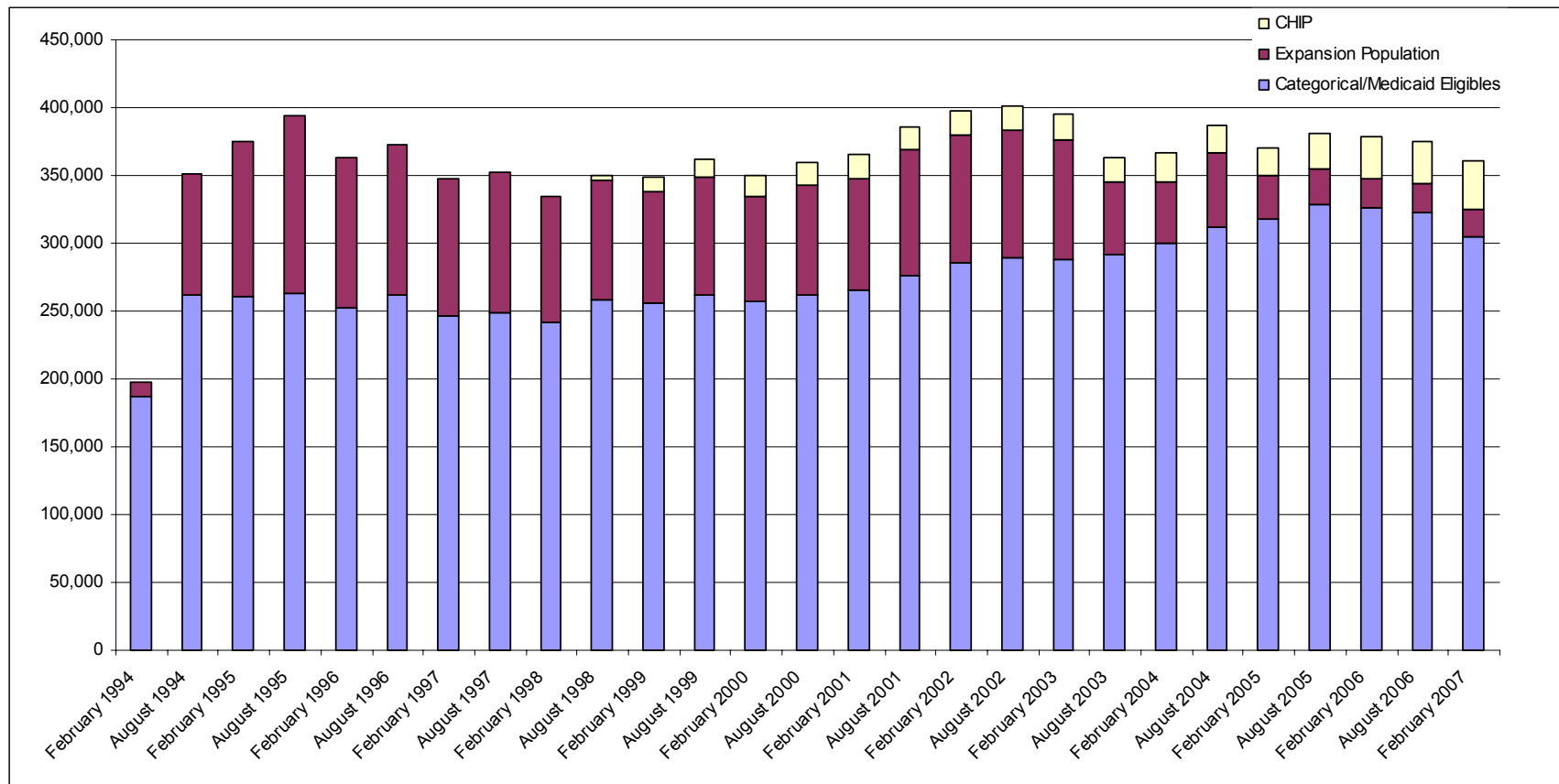


Dec. 2006 Enrollment	Pregnant Women	Children (Ages 0-5)	Children (Ages 6-18)	Foster Children	TANF Families	Aged, Blind & Disabled*	Uninsured Adults	Subsidized Private Insurance**
	9,598	53,989	60,636	17,522	117,534	92,228	21,052	15,506

*Aged, blind, and disabled populations meeting long-term care criteria are eligible up to 300% of the SSI level (=225% FPL); otherwise, these populations are eligible up to the SSI level
 **The Family Health Insurance Assistance Program (FHIAP) subsidizes private health insurance coverage for low income families and individuals. All OHP populations have the option to elect FHIAP coverage rather than direct state coverage. Parents and childless adults up to 100% FPL must enroll if they have employer sponsored insurance. Parents and childless adults over 100% FPL are not eligible for direct state coverage but may be eligible for FHIAP if enrollment limits have not been met.

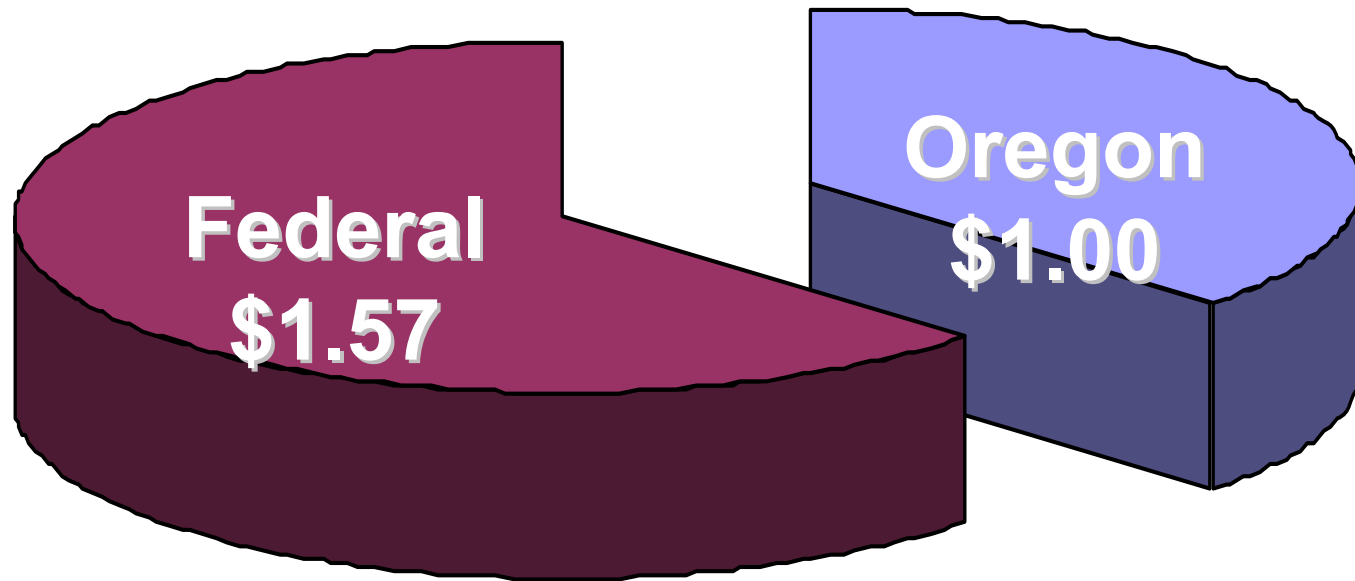
Total enrollment unchanged, but OHP expansion population shrinking

Total Medicaid enrollment, Oregon, 1994 to 2006



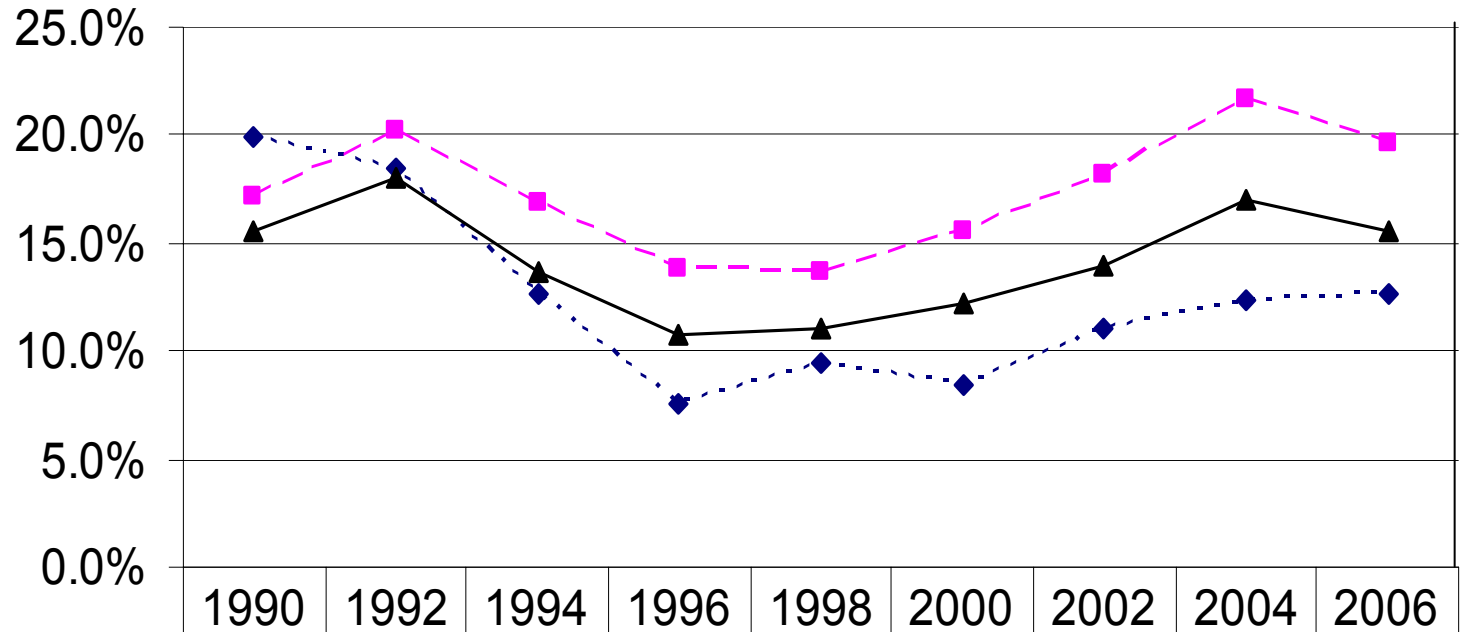
Medicaid is a State/Federal Partnership

Joint Oregon / Federal Funding



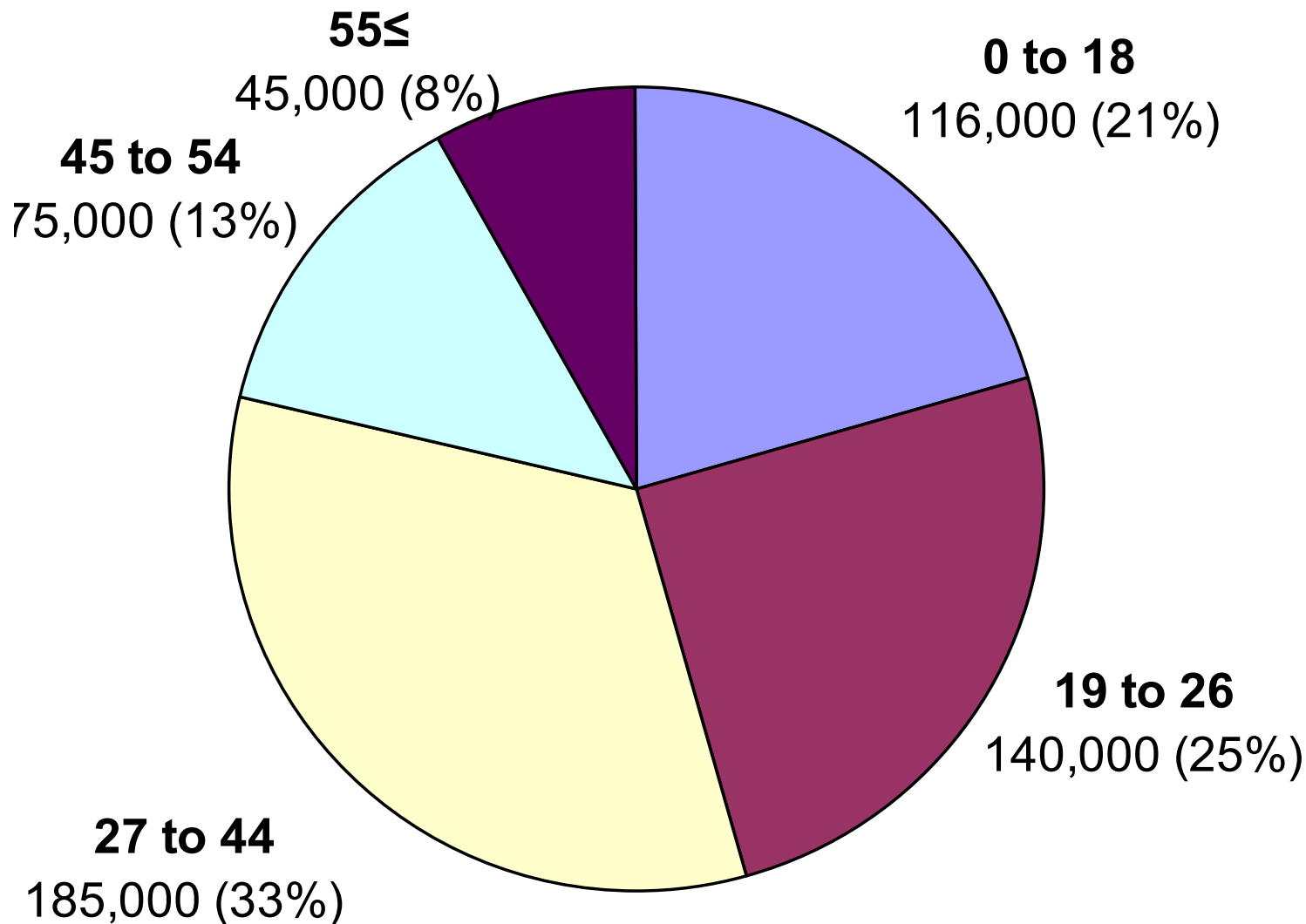
Almost one in five adults and one in six children are uninsured

Health Insurance Trends, Oregon

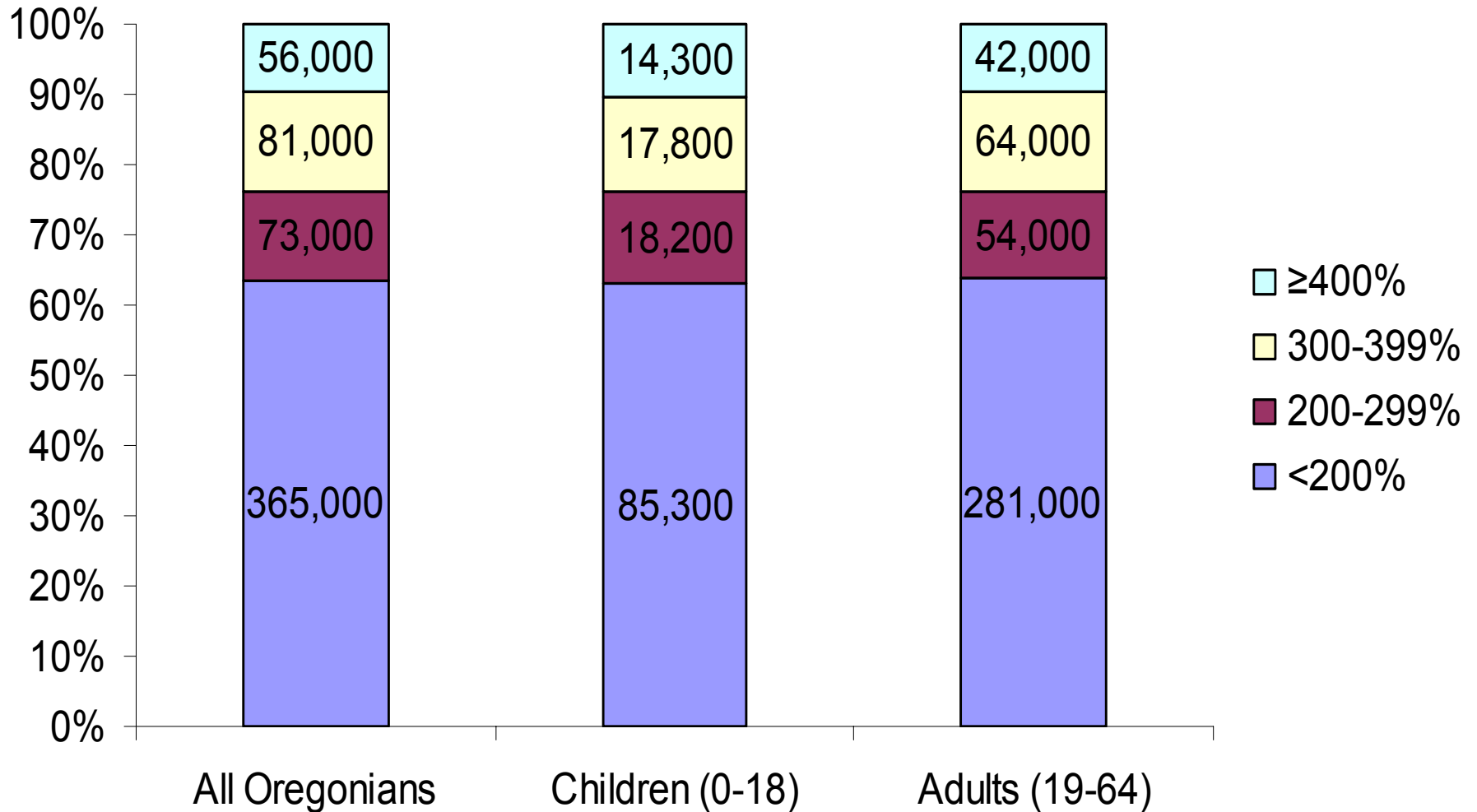


---◆--- Children 0-17 yrs	19.9%	18.5%	12.6%	7.6%	9.4%	8.5%	11.1%	12.3%	12.6%
- - -■ - - - Adults 18-64 yrs	17.2%	20.2%	16.8%	13.8%	13.7%	15.6%	18.1%	21.6%	19.6%
—▲— All Oregonians	15.6%	18.0%	13.6%	10.7%	11.0%	12.2%	14.0%	17.0%	15.6%

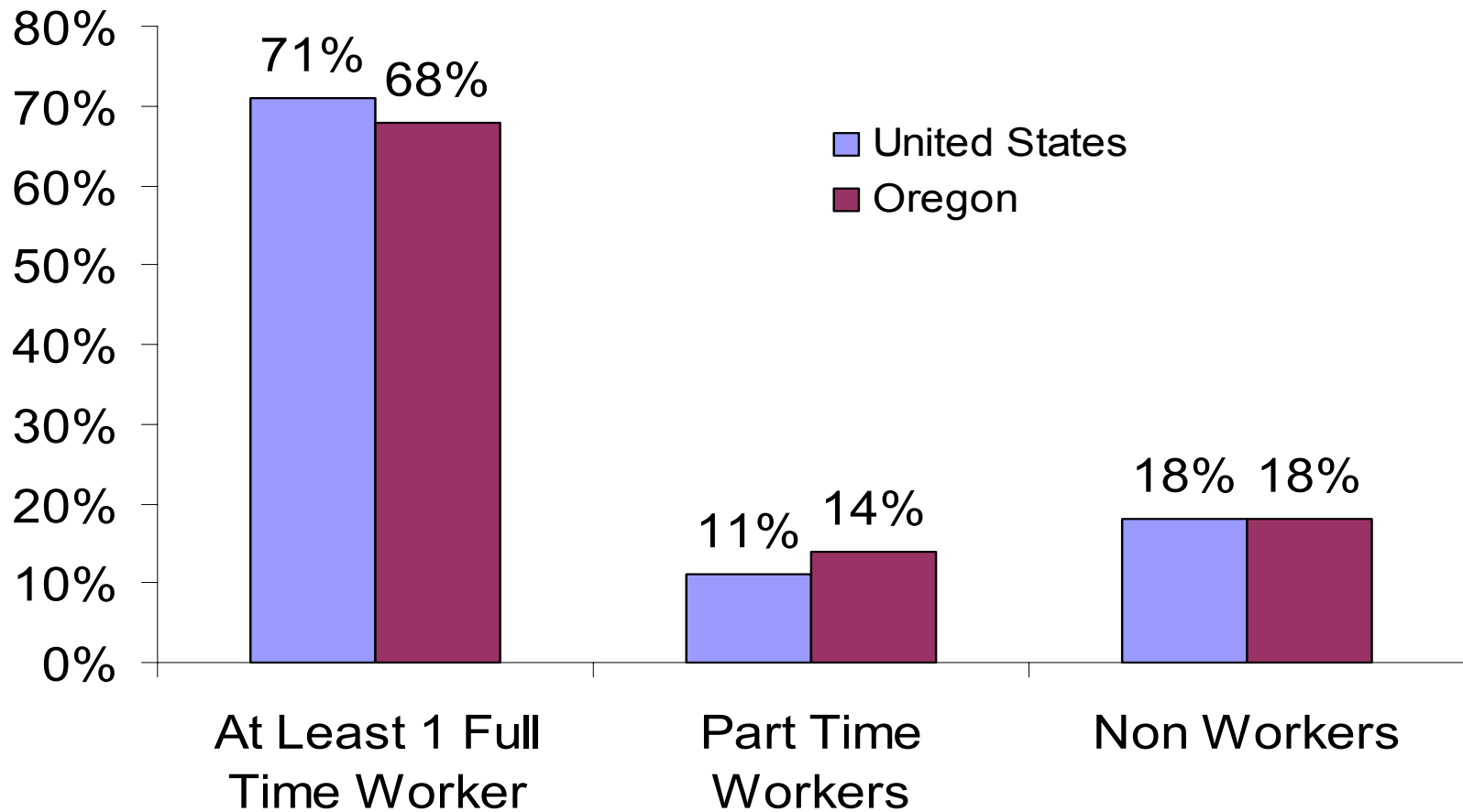
Over 80% of the uninsured are under the age of 45



Over 60% of the uninsured are below 200% FPL



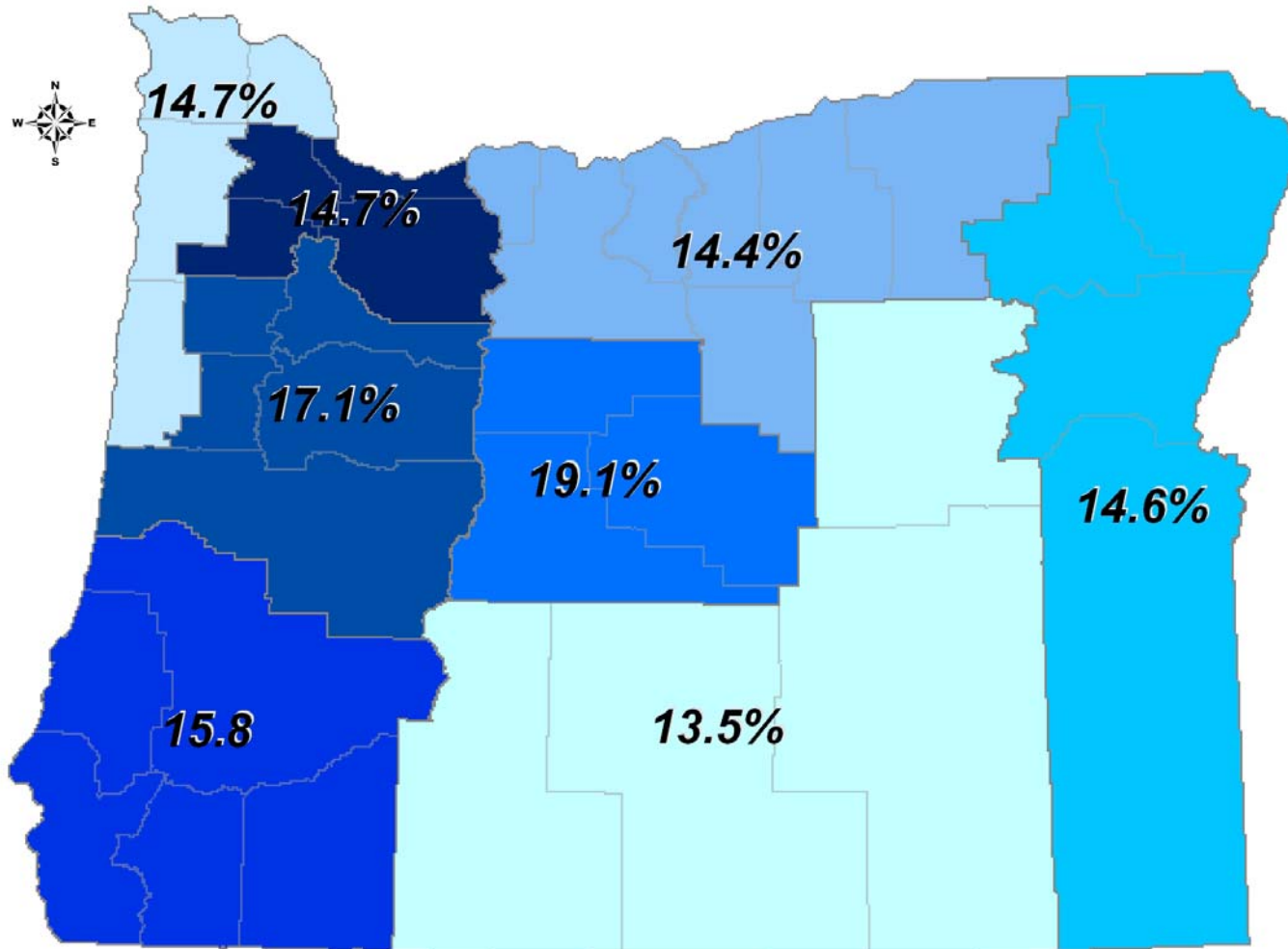
68% of uninsured in Oregon are from families with at least 1 full time worker



Source: Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's March 2006 and 2007 Current Population Survey (CPS: Annual Social and Economic Supplements).

Central Oregon has highest rate of uninsured

Regional Percentages of the Uninsured, Oregon 2006



Hispanics are most likely to be uninsured

Percent Uninsured by Race and Ethnicity:

- Asian – 9.7%
- White, non-Hispanic – 13.3%
- African-American – 14.1%
- American Indian – 27%
- Hispanic, any race – 32.5%

Consequences of being uninsured include:

- Reduced access to health care:
Uninsured receive too little medical care and receive it too late
- Poorer medical outcomes: Uninsured are sicker and die sooner
- More expensive medical care



Lack of insurance results in avoidable hospitalizations

Uninsured are:

- 2.8X more likely to be hospitalized for diabetes
- 2.4x more likely to be hospitalized for hypertension
- 1.6x more likely to be hospitalized for pneumonia
- 1.6x more likely to be hospitalized for ulcers

Illness and medical costs are a major cause of bankruptcy

- 45.6% of all personal bankruptcies involve a medical reason or large medical debt
- 7 per 1000 single women, and 5 per 1000 men suffered medical-related bankruptcy in 1999
- An increasing number of medical-related bankruptcy involves those with health insurance coverage

Almost six percent of patient revenue is uncompensated

All Oregon Hospitals
Uncompensated Care As a Percent of Gross Patient Revenue
Median Values, 1995 to 2004

