

OREGON JOINT TASK FORCE ON UNIVERSAL HEALTH CARE

UNIVERSAL HEALTH PLAN PROPOSAL – JUNE 2022

The Joint Task Force on Universal Care began with the passing of [Senate Bill 770](#). The task is to design a universal health plan that would be equitable, affordable, and comprehensive. This plan would be publicly funded. It would offer high-quality health care for all the people of Oregon.

To Qualify

All people who live in Oregon would qualify for the Universal Health Plan (“the Plan”). This means all would get the health care they need no matter their job, income, immigration status, or Tribal membership. It would be simple to enroll at health care offices. Also, people who work for Oregon-based employers and live in border states may get care through the Plan.

Covered Benefits

The Universal Health Plan would be based on the benefits public employees get now. The design would be more generous than most current plans. The Plan would cover, at the least, services offered now to people on Medicaid, Medicare, or Affordable Care Act plans.

The Plan would increase funding for behavioral health beyond benefits and programs that exist today. This is because the money saved would be put towards the behavioral health system.

People who would qualify for long-term care would continue to receive services through Medicaid and the Department of Human Services. The Plan would also cover some skilled nursing and home health care.

Payment for Health Care

The Universal Health Plan would not require patients to pay when getting care. So, there would be no co-pays or deductibles. Instead, people would pay new taxes based on their ability to pay. Under the Plan, medical debt for covered services would no longer exist. This is because all covered services would be fully paid by the Plan.

Medicare

People who qualify for Medicare would be covered by the Universal Health Plan to the extent allowed by federal law. The federal government would need to approve some changes to bring Medicare into the Plan. Those who qualify for Medicare would have all the benefits currently available in Medicare plus additional benefits offered in the Universal Health Plan.

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Health Care Providers

The Universal Health Plan would work with a wide range of health care professionals. This includes:

- Doctors, nurses, and allied health providers
- Behavioral health providers
- Traditional healthcare workers
- Other health care professionals

The Plan would prioritize having a more diverse workforce. The workforce would reflect Oregon's diverse communities and offer culturally appropriate care. Different kinds of providers would be available throughout the state.

Payment to Providers

The Plan would pay providers directly. The rates of pay would be set by region to account for different health care needs and costs in different parts of the state.

In the current system, payment rates vary by payer. For instance, payment rates for Medicare are different than those for private insurance. The Plan would reduce this variation in payments. Global budgets, where providers are paid in advance to care for patients, and other alternative payment arrangements would be used to improve outcomes and value over time.

The Universal Health Plan would be designed so that, all together, Oregon's health systems would have more money to provide care to the people of Oregon. Clinicians and health systems would save money because they would no longer have to manage so many insurance groups. That means the money saved could go to rural networks and behavioral health.

Private insurance

Insurers would have a more limited role than in the current system. Insurers would be able to offer extra insurance to cover benefits or services not offered by the Universal Health Plan. This could include certain prescription drugs or long-term care.

State-regulated insurance companies would not be allowed to offer insurance that would take the place of the Plan, to the extent permitted by law.

The Universal Health Plan would be the main administrator of health care benefits in Oregon. The Plan might also contract with third parties, such as private insurance carriers, to help with administration.

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People Who May Choose to Pay Out of Pocket

Some people might wish to keep paying for their own care:

- Patients who do not live in Oregon
- Self-funded plan beneficiaries
- Patients who request to pay out-of-pocket

Participating providers in the Universal Health Plan would not be allowed to give preferential treatment to private-pay patients, or to charge more for their care.

Employers and Employees

In the current health care system, certain employers must provide insurance to employees or pay a penalty if they do not. The size of the business determines whether they share responsibility for health insurance. For some employees, health insurance is an important part of their compensation. Often, unions bargain for health insurance.

The Universal Health Plan would separate health insurance from employment. This means that employers would no longer need to provide health benefits. All employers would contribute to the health of all Oregon residents by paying a progressive payroll tax. This would include any employers who choose to fund their own insurance plans to offer to employees.

Who Would Govern?

The Universal Health Plan would be a public program. A board would govern it. That board would report to the Oregon Legislature and the Governor.

Board members would represent a variety of health care professionals and community voices. Regional groups would advise the Plan to respond to the unique needs of the diverse communities across Oregon.

Social Determinants of Health

Conditions in people's lives—including housing, education, job opportunities, nutrition, and factors such as racism, discrimination, and violence—affect health outcomes. These conditions are called social determinants of health (SDOH). The Plan would seek, whenever possible, to address these conditions.

Tribes

Tribal members would have the choice to enroll in the Universal Health Plan. Tribal providers could participate in the Plan. The Board overseeing the Plan would have a government-to-government relationship with the Tribes. It would not change the services that Tribal or Indian Health Services provide.

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FUNDING THE UNIVERSAL HEALTH PLAN

In the current system, individuals, employers, and the state and federal government all pay for health care. In the new model, a single fund would combine federal and state revenue to pay for health care.

The Universal Health Plan would result in administrative savings for:

- Health systems
- Providers
- The public program that would administer the Plan

Based on legislative timelines and the planning needed to transition to the new system, the Task Force studied estimated costs (expenditures) in 2026 dollars. The study shows a potential savings of \$990 million in the first year of the Plan. Table 1 shows the projected costs of the current system in 2026 dollars compared to the projected costs for the Universal Health Plan.

Table 1. Expenditures (2026)

Program	Expenditure
Current System	\$58.12 Billion
Universal Health Plan	\$57.13 Billion
Projected Savings	\$990 Million

Employer Contribution - Payroll Tax

In the Universal Health Plan, all employers would contribute to the health of people in Oregon by paying a tax. The tax rate would be based on employee wages and would be progressive. The higher the employees' wages, the higher the tax rate the employer would pay.

Employers would no longer need to provide health benefits. But they would have the option to offer self-funded plans. A self-funded plan means that the employer carries the risk of the insurance plan.

The Legislative Revenue Office estimates that the total tax payment from employers in 2026 would be \$12.85 billion. This would be an 11% decrease from what employers would pay in employee premiums in the current system: \$14.54 billion in 2026.

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Household Contribution – Income Tax

Households with income below 200% of the Federal Poverty Level (FPL) would not pay income tax for health care expenses. In 2022, a family of four that earns \$55,500 would be at 200% of the FPL.

For households with income above 200% FPL, instead of premiums, co-pays, and deductibles, people would pay more income taxes.

The Legislative Revenue Office estimates that the total tax payment from households in 2026 would be \$10.6 billion. This would be a 13% decrease from what households would pay in premiums, deductibles, and co-pays in the current system: \$12.25 billion in 2026.

Table 2 shows total combined revenues (funding for the Plan) from households, employers, federal, and other sources.

Table 2. Revenue Sources and Estimates (2026)

Revenue	Households	Employer	Fed./Other	Totals
Current System	\$12.25 B	\$14.54 B	\$31.33 B	\$58.12 B
Universal Health Plan	\$10.6 B	\$12.85 B	\$33.68 B	\$57.13 B
Projected Savings	\$1.65 B	\$1.69 B	(\$2.35) B	\$990 Million



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<https://www.oregon.gov/oha/HPA/HP/Pages/Task-Force-Universal-Health-Care.aspx>

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TOP 10 CHANGES FOR INDIVIDUALS

The Universal Health Plan would transform the way that people in Oregon get health care. Here are some of the biggest changes.

- 1. Every Oregon resident is eligible**
No matter what, you would be covered.
- 2. No premiums, deductibles, or co-pays**
You would never need to avoid or delay care you can't afford. This also means no bills or medical debt.
- 3. Contribute based on how much you make**
Instead of paying for premiums, copays, or deductibles, you would contribute based on how much you make.
- 4. See any participating provider**
You would no longer be limited to certain clinics or providers based on what kind of insurance you have.
- 5. Funding for equitable, high-quality health care**
In the current system, provider pay varies across insurance plans. The Universal Health Plan would equalize reimbursement across providers for the same high-quality care for everyone.
- 6. Everyone gets comprehensive health benefits**
- 7. Better access to behavioral and alternative care**
The Universal Health Plan would be designed to make additional investments in different kinds of care to increase coverage and access statewide.
- 8. Dental coverage for all Oregonians**
Everyone would have coverage of dental benefits like state employees have in the current system.
- 9. Insurance does not depend on employment**
Whether or not you have a job with health benefits, you would be eligible for the Universal Health Plan.
- 10. Transparent public board focused on equity and health**