



## Finance and Revenue Committee Revenue Proposal Summary March 3, 2026

### I. Introduction

The Finance and Revenue Committee has developed the following revenue strategy for an Oregon universal health plan. The current proposal is based on the premise that Oregon does not need to raise new money to implement a universal health plan. Health care in Oregon is already heavily financed through a combination of employer-sponsored insurance (ESI) payments, out-of-pocket expenditures (OOP) and a variety of state and federal public programs (e.g., Medicare and Medicaid). The Finance and Revenue Committee recommendation builds on this structure by redirecting current payments into a central fund that will allow for comprehensive, progressive financing by a single-payer entity.

The outlined proposal is designed to cover ongoing healthcare costs; it does not provide a recommendation for funding start-up costs to transition to a new system or provide a mechanism for covering required reserve and surplus costs. The proposal assumes that federal dollars currently received by Oregon will continue at current status quo proportions, and administrative savings estimated to range from \$3.6-\$7.0 billion will be realized under a unified, publicly administered healthcare system.

The following is a summary of the basic components of the proposed revenue plan, utilizing information from Finance and Revenue Committee public meetings and Universal Health Plan Governance Board consultant ECONorthwest’s presentations and memos.

**Table 1. Revenue Instruments and Tax Credits**

Table 1 Data per ECONorthwest				
Estimated Revenue by Revenue Instrument (2022 Dollars)				
Revenue Instrument	Current Oregon Rate	Additional % Increase (Proposed)	Estimated Revenue (\$M)	% of Total
OR Corporate Income Tax (CIT)	6.6-7.6%	3.0%	\$639	3.8%
OR Corporate Activity Tax (CAT)	0.57%	0.10%	\$215	1.3%
OR Employer Payroll Tax (EPT)	0.9%-5.8%	9.6%	\$8,715	51.8%
OR Healthcare Personal Income Tax (HCPIT)	4.75%-9.9%	10.1%	\$7,253	43.1%
OR Lodging Tax	1.5%	0.2%	\$5	<0.1%

Proposed Tax Credits				
Recipient		Rate		
Employees whose employers pay EPT		50% of EPT		
Individuals who pay Medicare Part B premiums		100% Part B Premium Paid		

## II. Revenue Plan Development

The UHPGB Finance and Revenue Committee utilized data from the CBIZ Optumas Universal Health Care Financing Modeling Report as a basis for estimating expenditures and revenue needs of a universal health plan to develop a revenue model. The Joint Task Force contracted with CBIZ Optumas in 2021 to develop an estimated expenditure, savings, and revenue needs report for a universal health care system.

The Finance & Revenue Committee’s work to date focused on defining a sound and internally consistent revenue structure, using the most recent year with complete and reliable data—tax year 2022—as a common analytical baseline. This approach allowed the Committee to evaluate the relative performance of different revenue instruments, assess distributional impacts, and test design features using a single, transparent calibration year.

To support disciplined revenue design, the Finance & Revenue Committee determined that it was essential to anchor its analysis to a single, internally consistent replacement target rather than continually revisiting total system cost estimates that are inherently uncertain and forward-looking. Accordingly, the Committee settled on a Revenue Replacement Target of \$16.9 billion (2022 dollars) as the reference point for evaluating revenue mechanisms, tax bases, and distributional impacts.

## III. Revenue Instrument Details

### 1. Corporate Income Tax Add-On

- The proposal applies a 3.0% UHP-dedicated surcharge on top of Oregon’s existing 7.6% corporate income tax rate.
- The Corporate Income Tax add-on is included to ensure that profitable corporations contribute directly to financing the UHP and to diversify the revenue base beyond wage-linked sources. It captures a portion of UHP financing from firms with positive taxable income, including firms that may have relatively low Oregon payroll but substantial in-state profits.

### 2. Corporate Activity Tax Add-On

- The proposal applies a 0.10% UHP-dedicated add-on on top of Oregon’s existing 0.57% CAT rate.

- The Corporate Activity Tax add-on is included to broaden business participation beyond firms that report taxable income, and to provide a steadier business-based revenue stream across economic cycles and corporate tax planning strategies.

### 3. Employer Payroll Tax

- The EPT applies a payroll-based contribution of 9.6% above a firmwide payroll threshold of \$500,000.
- The Employer Payroll Tax is the proposal's primary tool for replacing the employer share of today's employer-sponsored insurance (ESI) spending. It ensures that employers continue to participate in financing health care in a way that is broad-based and predictable, without tying coverage to any specific employer.

### 4. Health Care Personal Income Tax

- The HCPIT of 10.1% is administered through Oregon's existing personal income tax system and applies above an income threshold 200% of the federal poverty level.
- The Health Care Personal Income Tax is the central mechanism for individual contributions, designed to replace the share of ESI premiums paid by individuals and families, premiums for ACA Marketplace plans, and household out-of-pocket costs with an income-based contribution that reflects ability to pay.

### 5. Lodging Tax Add-On

- A 0.2% Lodging Tax will be applied on top of Oregon's existing 1.5% statewide rate.
- A Lodging Tax is proposed to offset the cost of providing unreimbursed medical care to out-of-state visitors.

### 6. Employer Payroll Tax Credit Against Individual Liability

- The proposal provides an Oregon Income Tax credit against HCPIT liability, at the rate of 50% of the EPT paid on a worker's behalf.
- A credit is necessary to avoid "stacking" the employer payroll contribution and the individual income-based contribution on the same wage-based compensation.

## 7. Medicare Part B Premium Credit

- The proposal includes a non-refundable 100% credit for Medicare Part B premiums against HCPIT liability.
- Medicare beneficiaries already finance a portion of their coverage through federal premiums. Without an offset, Medicare households could face double payment—once through federal Part B premiums and again through Oregon’s HCPIT.

## IV. Caveat

This document is put forth to demonstrate the revenue plan developed by the Finance and Revenue Committee in relation to a revenue replacement target created from 2022 data. The dollar amounts and percentages of the revenue instruments in a final UHPGB proposal are expected to change as additional information becomes available from the Oregon Legislative Revenue Office and a final projected cost estimate of a Universal Health Plan is developed. This paper is a very high-level summary intended to provide a base level of understanding of the Finance and Revenue Committee’s Revenue Plan Proposal for Universal Health Plan Governance Board members and members of the public.

## V. Thank You

The proposal is the result of collaborative effort between ECONorthwest and the Finance & Revenue Committee, especially Committee members Charlie Swanson and Richard Gibson, who were instrumental in surfacing key policy levers and analyzing the fiscal impact of various design choices.

**Status Quo vs Universal Health Plan Scenarios Comparison – 5 March 2026**  
**All comparisons use 2026 dollars for premiums and cost sharing**

**Employer-sponsored insurance - Individual**

Filing Status: Individual - Employed  
Insurance:<sup>1</sup> Employer-sponsored private health insurance  
Wage income:<sup>2</sup> \$35,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$3079 UHP: \$0

Filing Status: Individual - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$55,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$3353 UHP: \$0

Filing Status: Individual - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$75,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$3627 UHP: \$1111

Filing Status: Individual - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$100,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$3627 UHP: \$2556

Filing Status: Individual - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$150,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$3627 UHP: \$5446

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<sup>1</sup> All employers are assumed to be medium to large employers with payrolls of at least \$5 million, 2026.

<sup>2</sup> Wage income is assumed to be equal to Federal Adjusted Gross Income, on which the HCPIT is based.

## Employer-sponsored insurance – Family of Four

Filing Status: Family of 4 - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$65,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$8691 UHP: \$0

Filing Status: Family of 4 - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$105,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$10,607 UHP: \$890

Filing Status: Family of 4 - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$150,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$11,702 UHP: \$4678

Filing Status: Family of 4 - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$195,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$11,702 UHP: \$8580

Filing Status: Family of 4 - Employed  
Insurance: Employer-sponsored private health insurance  
Wage income: \$250,000  
SS income: \$0  
Other income: \$0  
Cost per year: Status Quo: \$11,702 UHP: \$11,759

## ACA Marketplace – Individual – Self-employed

Filing Status: Individual – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 30  
Wage income: \$0  
SS income: \$0  
Other income: \$35,000  
Cost per year: Status Quo: \$5321 UHP: \$311

Filing Status: Individual – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 30  
SS income: \$0  
Other income: \$55,000  
Cost per year: Status Quo: \$10,778 UHP: \$2331

Filing Status: Individual – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 30  
SS income: \$0  
Other income: \$75,000  
Cost per year: Status Quo: \$11,300 UHP: \$4351

Filing Status: Individual – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 30  
SS income: \$0  
Other income: \$100,000  
Cost per year: Status Quo: \$11,300 UHP: \$6876

Filing Status: Individual – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 30  
SS income: \$0  
Other income: \$150,000  
Cost per year: Status Quo: \$11,300 UHP: \$11,926

**ACA Marketplace – Couple – Self-employed – filing jointly**

Filing Status: Couple – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 55  
Wage income: \$0  
SS income: \$0  
Other income: \$65,000  
Cost per year: Status Quo: \$17,074 UHP: \$2399

Filing Status: Couple – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 55  
SS income: \$0  
Other income: \$105,000  
Cost per year: Status Quo: \$31,504 UHP: \$7381

Filing Status: Couple – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 55  
SS income: \$0  
Other income: \$150,000  
Cost per year: Status Quo: \$31,504 UHP: \$12,104

Filing Status: Couple – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 55  
SS income: \$0  
Other income: \$200,000  
Cost per year: Status Quo: \$31,504 UHP: \$17,154

Filing Status: Couple – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 55  
SS income: \$0  
Other income: \$250,000  
Cost per year: Status Quo: \$31,504 UHP: \$22,204

**ACA Marketplace – Family of Four – Self-employed – filing jointly**

Filing Status: Family of 4 – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 42  
Wage income: \$0  
SS income: \$0  
Other income: \$65,000  
Cost per year: Status Quo: \$7718 UHP: \$0

Filing Status: Family of 4 – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 42  
Wage income: \$0  
SS income: \$0  
Other income: \$105,000  
Cost per year: Status Quo: \$21,058 UHP: \$4829

Filing Status: Family of 4 – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 42  
Wage income: \$0  
SS income: \$0  
Other income: \$150,000  
Cost per year: Status Quo: \$33,122 UHP: \$11,458

Filing Status: Family of 4 – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 42  
Wage income: \$0  
SS income: \$0  
Other income: \$195,000  
Cost per year: Status Quo: \$33,122 UHP: \$17,004

Filing Status: Family of 4 – Self-employed  
Insurance: ACA Marketplace Silver Plan  
Age: 42  
Wage income: \$0  
SS income: \$0  
Other income: \$250,000  
Cost per year: Status Quo: \$33,122 UHP: \$22,559

## Medicare Advantage – Couple filing jointly

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$50,000  
Other income: \$50,000  
Cost per year: Status Quo: \$9743 UHP: \$4082<sup>3</sup>

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$60,000  
Other income: \$75,000  
Cost per year: Status Quo: \$9743 UHP: \$4082

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$70,000  
Other income: \$100,000  
Cost per year: Status Quo: \$9743 UHP: \$6759

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$70,000  
Other income: \$150,000  
Cost per year: Status Quo: \$11,692 UHP: \$12,104

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$70,000  
Other income: \$200,000  
Cost per year: Status Quo: \$11,692 UHP: \$13,619

Filing Status: Couple  
Insurance: Medicare Advantage  
Wage income: \$0  
SS income: \$70,000  
Other income: \$250,000  
Cost per year: Status Quo: \$14,612 UHP: \$22,204

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<sup>3</sup> UHP amount is total of Part B premiums paid to CMS and HCPIT paid to Oregon

## Medicare Supplement – Couple filing jointly

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$50,000  
Other income: \$50,000  
Cost per year: Status Quo: \$11,591 UHP: \$4082<sup>4</sup>

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$60,000  
Other income: \$75,000  
Cost per year: Status Quo: \$11,591 UHP: \$4082

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$70,000  
Other income: \$100,000  
Cost per year: Status Quo: \$11,591 UHP: \$6759

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$70,000  
Other income: \$150,000  
Cost per year: Status Quo: \$13,540 UHP: \$12,104

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$70,000  
Other income: \$200,000  
Cost per year: Status Quo: \$13,540 UHP: \$20,184

Filing Status: Couple  
Insurance: Medicare Supplement  
Wage income: \$0  
SS income: \$70,000  
Other income: \$250,000  
Cost per year: Status Quo: \$16,460 UHP: \$22,204

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<sup>4</sup> UHP amount is total of Part B premiums paid to CMS and HCPIT paid to Oregon

Reference for 2026 ACA Marketplace premium tax credit, which reverts to 2021, before enhanced premium tax credits

For tax year 2026 coverage (Marketplace plans you buy in late 2025 / for 2026), the Affordable Care Act's premium tax credit (PTC) structure reverts to the *pre-2021 sliding scale*—unless Congress extends the enhanced rules. That means subsidies are available on a sliding scale for incomes between **100% and 400% of the federal poverty level (FPL)**, and the percentage of income you're expected to contribute toward a benchmark plan gradually increases with income. [IRS +1](#)

### 2026 ACA Premium Tax Credit Tiers (Standard Pre-Enhanced Structure)

Income (% of FPL)	Required Premium Contribution (% of Income)
Less than 133%	~2.10%
133% – 150%	~3.14% → ~4.19%
150% – 200%	~4.19% → ~6.60%
200% – 250%	~6.60% → ~8.44%
250% – 300%	~8.44% → ~9.96%
300% – <400%	~9.96%
≥ 400%	<b>Not eligible for PTC (credit = \$0)</b>

## **Status Quo Cost Calculator – 5 March 2026**

**All calculator results use estimates of 2026 premiums and cost-sharing**

### **Employer-sponsored insurance**

The best numbers come from KFF, either directly or via the Peterson-KFF Health System Tracker. The latter source was used for cost estimates on employer-sponsored insurance. The data are for 2022, so an inflation factor of 36.86% (derived from NHEA private health insurance projections from historical 2022 and 2023 data).

There are a lot of numbers out there on premiums for both the employer and employee portions. There are a lot of numbers on plan deductible amounts, plan co-insurance amounts, plan co-pay amounts, and maximum out-of-pocket amounts. Deductibles, co-pays, and co-insurance comprise cost sharing. Individuals and families pay both their share of premiums as well as cost sharing. There are very few data on the actual cost sharing that individuals and families experience. Another way into estimating cost sharing would be to figure the percentage of maximum out-of-pocket that employees actually experience paying, but these percentages are not available either.

The Health System Tracker says that they get their numbers from “several publicly available data sources to examine how much individuals and families in the United States spend on health each year”. I could not find what those data sources were. They present the results in an interactive “Household Health Spending Calculator.” I clicked on each input option and transferred the resulting numbers to our Status Quo Calculator.

One limitation is that they report costs only for individuals and families of four – nothing in between. Another limitation is that they aggregate the results by four employee income tiers. One of the levels in each group is labeled “average income” but I did not see how they came up with that average. Perhaps it is a weighted average – weighted by the number of employees at each income level. They use lower income levels for individuals and higher income levels for families of four. They don’t explain why higher income levels have higher premium and cost sharing amounts, but there is a significance difference in the total cost between the lower and higher income levels.

The highest income level for individuals was \$75,000 and \$150,000 for families of four. They don’t mention what they do with incomes above those levels – are they averaged into the top reported income level?

## Sources

<https://www.healthsystemtracker.org/chart-collection/how-much-do-people-with-employer-plans-spend-out-of-pocket-on-costsharing/#Health%20spending%20by%20and%20on%20behalf%20of%20families%20with%20employer%20coverage,%202024>

<https://www.healthsystemtracker.org/household-health-spending-calculator/>

<https://www.cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure-data/projected>

## ACA Marketplace insurance

It is difficult to get premium amounts for ACA Marketplace plans. ACA Marketplace premiums go up steeply with age. Oregon uses healthcare.gov for enrolling in ACA Marketplace. But healthcare.gov requires a person to set up an account with their actual birthdate, so one cannot input different ages to see what the various premiums are in Oregon. I used chatgpt to estimate the average Oregon ACA Marketplace Silver Plan premiums for children and for adults age 30, 40, 50, and 60 before premium tax credits are applied. I then used a linear function to interpolate premiums between the index ages.

In 2022-2025, enhanced premium tax credits were applied such that maximum ACA premiums were calculated as a percentage of income, going from 0% at 150% FPL to 8.5% for all incomes above 400% FPL.

With the passage of HR1 in 2025, the premium tax credits reverted to those in 2021, with maximum premiums going from 2.1% of income at 133% FPL, up to 9.96% of income at 400% FPL. Beyond 400% of FPL, there are no tax credits at all, and individuals and families must pay the entire premium.

KFF reports that 2026 cost-sharing reductions are 33% of maximum out-of-pocket for incomes below 200% of FPL and 80% of maximum out-of-pocket for incomes 201%-250% of FPL. I used a linear function to estimate cost sharing reductions between 201% and 250% of FPL.

## Sources

<https://hrp.net/compliance-overview/hhs-revises-cost-sharing-limits-for-2026-plan-years/>

<https://www.kff.org/faqs/faqs-health-insurance-marketplace-and-the-aca/help-paying-marketplace-premiums-the-basics/how-much-are-the-cost-sharing-subsidies/>

## **Medicare**

It is very difficult to get actual numbers on what people pay in total for Medicare coverage. We know with certainty what they pay to Medicare directly for their Part B premiums. Those monthly amounts go up as income goes up. These Part B premiums apply equally to both Medicare Advantage (MA) and Medicare Supplement (MS) plans, sometimes called Medigap plans.

### **Medicare Advantage Premiums**

According to KFF, 75% of people with MA plans pay no premiums above the required Part B premiums. For those that do pay MA premiums, monthly costs can vary and it is hard to get actual numbers, but generally those monthly premiums, if any, will be low, say \$35 a month. So, on average, including the 75% of MA members that pay no MA premiums, the average monthly cost is \$14 per month (\$168 per year) according to KFF. 2024 data were trended to 2026 using NHEA Medicare cost projections.

Sources

<https://www.kff.org/medicare/medicare-advantage-premiums-out-of-pocket-limits-supplemental-benefits-and-prior-authorization/>

### **Medicare Advantage Cost Sharing**

KFF reports that in 2024, the enrollment-weighted average for out-of-pocket (OOP) limits for Medicare Advantage enrollees is \$4,882 for in-network services and \$8,707 for in-network and out-of-network services combined. For enrollees in HMOs, the average OOP (in-network) limit is \$3,965. Enrollees in HMOs are generally responsible for 100% of costs incurred for out-of-network care. For local and regional PPO enrollees, the average OOP limit for both in-network and out-of-network services is \$8,634, and \$10,728, respectively. So, it depends on what kind of MA plan one has – the more restricted the provider panel, the lower the OOP limits.

Even if we know the OOP limits, there are not good numbers available for how much MA members actually spend OOP. The calculator allows the user to input the percentage of maximum out-of-pocket would on average be spent on cost sharing. The SQ vs UHP scenarios use 40% of maximum OOP in reported costs.

There are many sources that say that MA subscribers pay roughly \$2,000 less per year than MS subscribers including both premiums and cost sharing. This is not surprising because KFF reports that MA plans receive \$2,329 per year per enrollee more than the expected cost of Medicare services, and some of those savings are passed on to MA subscribers in

terms of extra benefits (vision, dental, hearing, gym memberships) and low or no monthly premiums.

Sources

<https://www.kff.org/medicare/medicare-advantage-in-2024-premiums-out-of-pocket-limits-supplemental-benefits-and-prior-authorization/>

### **Total Medicare Advantage Cost**

Not including Part B premiums, which apply to both MA and MS subscribers, average total MA costs (2024) are \$1,877 (\$168 annual premiums + \$1,709 cost sharing). However, as is typical for health insurance, there is considerable variation in maximum OOP limits and in an individual's experience in a year with good health versus a year with health problems or injuries.

The data reported were for 2024, so a NHEA cost projection from 2024 to 2026 of 14.9% was applied to the Medicare Advantage premiums and cost sharing. These costs were added onto the 2026 Medicare Part B premiums to arrive at total cost.

Sources

<https://www.cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles>

<https://www.cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure-data/projected>

### **Medicare Supplement Premiums and Cost Sharing**

KFF says that 87% of traditional Medicare enrollees have additional coverage that supplements Medicare benefits. That additional coverage may involve employer or union policies (29%) and Medicaid (14%) in addition to typical Medicare supplement (MS) policies (43%). For the averaging -purposes of the calculator, we will figure that all traditional Medicare enrollees have MS policies.

KFF reports that the average MS enrollee pays \$2,600 annually in premiums (2024). Plans F and G comprise 85% of the MS plans. They both have low and high-deductible options. Low-deductible plans in 2026 have maximum deductible maximum of \$283. High-deductible plans cost about \$750 a year with a deductible of about \$2,950. Again, we don't have good numbers on the experience of MS enrollees with their deductibles, but it is reasonable to figure that \$3,000 represents typical cost of MS premiums + cost sharing, whether Plans F or G apply.

The data reported were for 2024, so a NHEA cost projection from 2024 to 2026 of 14.9% was applied to the Medicare Supplement premiums and cost sharing. These costs were added onto the 2026 Medicare Part B premiums to arrive at total cost.

#### Sources

<https://www.kff.org/medicare/key-facts-about-medigap-enrollment-and-premiums-for-medicare-beneficiaries/>

<https://www.kff.org/medicare/a-snapshot-of-sources-of-coverage-among-medicare-beneficiaries/>

[https://news.ehealthinsurance.com/ir/68/20242/eHealth Medicare Index Report 2024.pdf](https://news.ehealthinsurance.com/ir/68/20242/eHealth_Medicare_Index_Report_2024.pdf)

<https://www.cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles>

## Decisions for the Committee

The Status Quo calculator accompanying this paper simply asks for input on

- Employer sponsored insurance
  - Individual vs Family of four
  - Income
  - Better health, average health, worse health
- ACA Marketplace
  - Individual, Couple, Family of four
  - Income
  - Age
- Medicare Advantage
  - Individual vs Joint
  - Income
  - Estimate of percentage of deductible actually spent on cost sharing
- Medicare Supplement
  - Individual vs Joint
  - Income

In this Status Quo calculator there is a lot of averaging and a dearth of deep numbers. It may or may not be useful to help Oregonians compare Status Quo to UHP. The UHP calculator is exact because it relies on Charlie's 2026 tax table.

Another version of the Status Quo calculator would involve asking the respondent the following questions:

- Age
- Number in household
- Income
  - Employee
  - Self-employed
  - Social Security
  - Other income
- Type of insurance
  - Employer-sponsored
  - ACA Marketplace
  - Medicare Advantage
  - Medicare Supplement
- Premiums paid directly by individuals and families or via paycheck withholding
- Cost sharing that they paid last year

Of course, the response to the above questions will give a much better estimate of their Status Quo costs, but many people may not know the amounts, especially on premiums and cost sharing, which are crucial to a meaningful result.

The way that Jim Kahn does his [Medicare for All Calculator](#) is by asking

- Medicare Yes or No:
  - If No:
    - Single vs Family Coverage
    - Premium cost
    - Annual income
    - Tax filing status: married filing jointly or all other
  - If Yes
    - Part B premium plus MA or MS premiums
    - Employer contribution to MA or MS premiums (if any)
    - Out of pocket medical costs
    - Long term care costs
    - Portion of income from working (0-25-50-75-100%)
    - Tax filing status: married filing jointly or all other

If the respondent doesn't enter a given field, the calculator supplies a default value.

We could take a similar approach with our Status Quo calculator. Ask people for specific numbers and insert default numbers from this version of the calculator if they don't know.

**Charlie Swanson**

**Finance and Revenue Committee March 3, 2026**

**Why should the plan pay Medicare Part B premiums for all who might be eligible?**

The average Medicare Part B benefits paid by CMS in 2024 were \$8,835 per part B enrollee. The standard Medicare Part B premium was \$2,096.40 annually, or 24% of that. The maximum part B premium (for those with modified adjusted gross income greater than \$500,000 for single filers) was \$7,128. In all cases, the average part B benefit is greater than the premium that must be paid to CMS.

We have already decided that the UHP should provide a part B credit for those who have an HCPIT liability. The plan will almost surely have to pay part B premiums for those who are dual eligible, as happens in the status quo. If the plan does not pay part B premiums, those who would otherwise be eligible but have no HCPIT liability would have a financial incentive not to pay the part B premium, since they would be covered by UHP as Oregon residents. If that part B premium is not paid, it is hard to imagine that CMS would provide part B benefits to the state on behalf of that individual.

Those low HCPIT liability folks might choose to pay part B premiums anyway, to avoid part B penalties that would accrue if they move out of state. But most would probably gamble that they will not move out of state, or at least not for long enough to make paying part B premiums while they are in Oregon worthwhile. The late penalty is a 10% surcharge on part B premiums for every year that part B is deferred. Note that it can be deferred without penalty while one is working and their employer provides health care coverage.

Using 2022 values, I estimate part B premiums without IRMAA were \$1.87 billion. IRMAA added \$0.34 billion, so \$2.21 billion total. He proposed part B premium credit already had the plan paying \$0.90 billion, and Medicaid paid \$0.26 billion (\$0.17 billion from the feds). That leaves \$1.05 billion not previously accounted in my calculations.

Plan C in the attached spreadsheet has extra revenue needed to pay all part B premiums (relative to plan B).

**2024 Medicare Part B Monthly Premiums (Based on 2022 Tax Return)**

- \$103,000 or less (Single) / \$206,000 or less (Joint): \$174.70
- \$103,001–\$129,000 (Single) / \$206,001–\$258,000 (Joint): \$244.60
- \$129,001–\$161,000 (Single) / \$258,001–\$322,000 (Joint): \$349.40
- \$161,001–\$193,000 (Single) / \$322,001–\$386,000 (Joint): \$454.20

- \$193,001–\$499,999 (Single) / \$386,001–\$749,999 (Joint): \$559.00
- \$500,000 (Single) / \$750,000 (Joint): \$594.00

#### Key 2024 IRMAA Details

- Basis: 2024 IRMAA is determined by the IRS tax return from 2022.
- Calculation: The Social Security Administration (SSA) uses your MAGI (Adjusted Gross Income + Tax-Exempt Interest).
- Impact: Roughly 8% of beneficiaries pay IRMAA, which is automatically added to the monthly premium.

#### From 2025 [Medicare Trustees Report](#)

**Table II.B1.—Medicare Data for Calendar Year 2024**

	HI or Part A	SMI		Total
		Part B	Part D	
Assets at end of 2023 (billions)	\$208.8	\$172.2	\$15.7	\$396.7
Total income	\$451.2	\$532.9	\$149.3	\$1,133.3
Payroll taxes	396.4	—	—	396.4
Interest	7.2	3.5	0.3	11.0
Taxation of benefits	39.8	—	—	39.8
Premiums	5.0	140.1	19.3	164.4
Government contributions	1.2	386.0	111.6	498.7
Payments from States	—	—	18.0	18.0
Other	1.6	3.2	0.2	5.0
Total expenditures	\$422.5	\$553.4	\$146.2	\$1,122.1
Benefits	416.3	547.8	145.7	1,109.8
Hospital	144.4	80.5	—	225.0
Skilled nursing facility	28.5	—	—	28.5
Home health care	5.9	10.0	—	15.9
Physician fee schedule services	—	71.4	—	71.4
Private health plans (Part C)	192.5	301.6	—	494.0
Prescription drugs	—	—	145.7	145.7
Other	44.9	84.3	—	129.2
Administrative expenses	6.2	5.6	0.5	12.2
Net change in assets	\$28.7	-\$20.5	\$3.1	\$11.2
Assets at end of 2024	\$237.5	\$151.7	\$18.8	\$407.9
Enrollment (millions)				
Aged	59.9	55.2	49.0	60.3
Disabled	7.3	6.8	6.2	7.3
Total	67.2	62.0	55.2	67.6
Average benefit per enrollee	\$6,193	\$8,831	\$2,638	\$17,663 <sup>1</sup>

<sup>1</sup>Calculated as the sum of the Part A, Part B, and Part D amounts.

Note: Totals do not necessarily equal the sums of rounded components.