Universal Health Plan Governance Board Meeting

July 9, 2026

Virtual Only

8:00 AM- 10:00AM

Welcome Remarks
Chair Bellanca

Roll Call

Agenda Review

Agenda

- Public Comment
- Revenue Replacement Target
- Revenue Plan Lever Options
- Next Meeting Topics
- Public Comment

Revenue Replacement Target (RRT)

RRT- What is it?

- Revenue Replacement Target- the amount of health care total expenditure that is not covered by federal and state resources
- Under status quo, the funds come from multiple employer and individual sources- premiums, self-insurance, deductibles, co-pays, co-insurance, etc.
- Under a universal health plan, it will be funded by revenue raised via proposed state tax changes
- Arrived at by calculating :
  - Total annual health care expenditure – (federal contributions to Medicare, Medicaid, Exchange, block grants) – (state contributions to Medicaid and other state funds) = Revenue Replacement Target

Part I- Expenditure Estimates
Provider Administrative Savings and Collectability

Milliman data (fig 53)
Includes “plus” benefits and administrative costs

Step 1	2032 UHP Expenditures
Low	$77.4 B
Best	$85.5 B
High	$94.0 B

Step 2	2032 UHP Expenditures
Low	$69.4 B
Best	$77.7 B
High	$86.5 B

Adjust for provider administrative savings and for collectability (fig 50)

Part I- Expenditure Estimates
Lower Payer Administrative Cost Estimate

Step 2	2032 UHP Expenditures
Low	$69.4 B
Best	$77.7 B
High	$86.5 B

Step 3	2032 UHP Expenditures
Low	$68.4 B
Best	$75.2 B
High	*

Revise expenditures estimates using a 3% payer administrative cost instead of 6%

Part I- Expenditure Estimates
Rx Drug Savings and FWA Reduction

Step 3	2032 UHP Expenditures
Low	$68.4 B
Best	$75.2 B
High	*

Step 4	2032 UHP Expenditures
Low	$68.4 B
Best	$75.2 B
Lowest	$66.7 B

Revise expenditures estimates including a 1.5% reduction expenditure related to RX savings, and a 1% reduction in expenditure related to reduce fraud, waste, and abuse

Part II- Federal and State Contribution Estimates

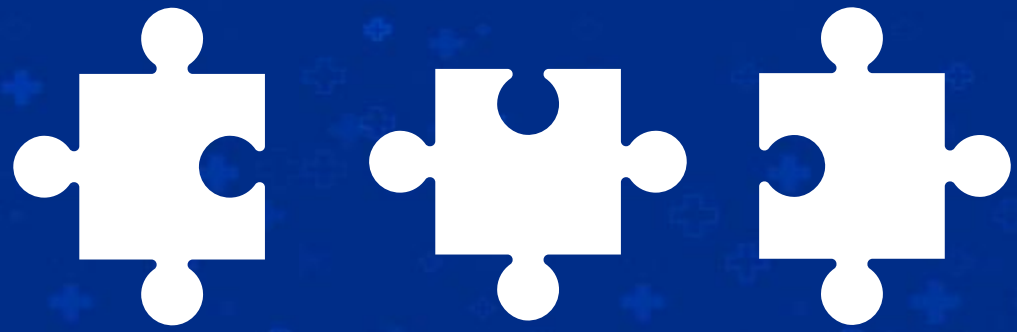
Contributions Milliman Figure 43	Best	Low
A. 2026 Total CMS Contributions Individual, Medicare, & Medicaid	$23.4 B	$21.5 B
B. 2026 State General Fund Medicaid + BH (no dental)	$5.1 B	$4.7 B
C. 2026 Federal and State total (A+B)	$28.5 B	$26.2 B
D. 2026 Federal and State total trended at 5.3% (C trended from 2026 to 2032)	$38.9 B	$35.7 B
E. State GF 2032 contribution to dental	$0.8 B	$0.8 B
F. 2032 Federal and State Contribution (D + E)	**$39.7 B**	**$36.5 B**

Part III- Revenue Replacement Target Estimates

2032	Best (Billions)	Low (Billions)	Lowest (Billions)
Expenditure	$75.2	$68.4	$66.7
State and Federal Contributions	$39.7	$36.5	$36.5
Revenue Replacement Target	$35.5	$31.9	$30.2

Revenue Lever Options

Today's Discussion



- If aspects of the revenue plan are not feasible, what tools or levers exist to make changes
- What are the estimated financial impacts of the changes
- What are the tradeoffs
- What additional information is needed, both in the short term and longer term

Tools- Revenue Plan

	Impact	Examples and Outcomes
Change relative percentage contribution of revenue instruments	Small - Medium	• Increase Corporate Income Tax (CIT) rate and lower Health Care Personal Income Tax (HCPIT) rate
Eliminate employer payroll tax credit	Large	• Eliminate tax credit and lower HCPIT
Change exemption levels	Small	• Change employer payroll tax exemption from $500,00 to $300,000 and lower employer payroll tax or HCPIT

Tools- Revenue Plan

	Impact	Examples and Outcomes
Add another revenue instrument	Small - Large	• Add sales tax and lower HCPIT • Add wealth tax and lower HCPIT
Add tiers to employer payroll tax or HCPIT	Small-Medium	• Add higher employer payroll tax rate to state agencies to make up for reduced contributions to health care costs overall under current proposal and lower HCPIT • Add tiers to HCPIT to increase contributions of higher earners, which would reduce the effective tax rate of lower earners
Cost sharing Milliman Figure 53	Small-Medium	• Pharmacy co-pay: $5 generic/$75 brand/$150 specialty • Emergency Room co-pay $200 • Enrollee maximum out-of-pocket $1,200 per year • 2032 estimate savings $1.1-$1.3 B

Tools- Expenditures

Change	Impact	Examples and Outcomes
Reduce Benefits Milliman Figures 52 & 53	Small-Medium	• Exclude dental ($3.3-$4.1 B) • Exclude vision ($0.5-$0.6 B) • Exclude fertility ($ 0.3-$0.4) • Exclude “other” such as complementary medicine, massage therapy, hearing aids ($0.5-$0.6 B)
Phased in population eligibility Milliman Figures 54 & 55	Medium-Large	• Plan initially does not include Medicare population • Total benefit cost decreases from $80.3 B to $49.4 B (Best) • **HOWEVER**- also decrease in revenue due to smaller tax base and reduced federal funding by roughly $20 B

Milliman Figure 53 for Reference

FIGURE 53
OREGON UNIVERSAL HEALTH PLAN
2032 EXPENDITURE PROJECTIONS ($ BILLIONS)

		(a)	(b)	(c)	(d)	(e) = (a) + (b) + (c) + (d)	
PLAN DESIGN	SCENARIO	MAJOR BENEFITS*	PLUS BENEFITS**	COST SHARING	ADMIN COSTS	TOTAL UHP COST	DIFFERENCE
Zero Cost Sharing	Low	$69.2	$4.5	$0.0	$3.6	$77.4	
	Best Estimate	$75.3	$5.1	$0.0	$5.1	$85.5	N/A
	High	$81.3	$5.6	$0.0	$7.0	$94.0	
Low Cost Sharing Including Plus	Low	$68.6	$4.5	-$1.1	$3.6	$75.7	$1.7
	Best Estimate	$74.6	$5.1	-$1.2	$5.1	$83.6	$1.8
	High	$80.6	$5.6	-$1.3	$7.0	$92.0	$2.0
Low Cost Sharing Excluding Plus	Low	$68.6	$0.0	-$1.1	$3.6	$71.2	$6.2
	Best Estimate	$74.6	$0.0	-$1.2	$5.1	$78.5	$6.9
	High	$80.6	$0.0	-$1.3	$7.0	$86.4	$7.6

*Inpatient, Outpatient, Physician, Prescription Drugs, Other.
**Dental, Vision, Fertility, Other Benefits.

Discussion

Next Steps

Next Meeting Topics

Board Meetings July and August

- July 16
  - Revenue plan information from LRO
  - Additional Revenue plan discussion
  - Waivers
  - Information Technology
- July 30 (virtual only)
  - As needed to finalize revenue plan
- August 20
  - ECOnorthwest White Paper- Economic Effects of Oregon's UHP
  - Final Report Review
  - Prioritize Topics for September 2026- June 2027

Public Comment

Thank you for attending!