CITY OF MILWAUKIE
COUNCIL RESOLUTION No. 88-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, URGING THE OREGON LEGISLATURE TO PROVIDE EQUITABLE, COMPREHENSIVE, AFFORDABLE, HIGH QUALITY, PUBLICLY FUNDED HEALTH CARE COVERAGE SERVING EVERYONE IN OREGON.

WHEREAS, this nation established a vision for its citizens to have certain rights, including “Life, Liberty, and the pursuit of Happiness”; and

WHEREAS, achieving the goal of living a healthy and productive life, in line with the vision of “Life, Liberty, and the pursuit of Happiness,” can be severely impaired for individuals and families who cannot access quality health care to prevent and treat disease or injury; and

WHEREAS, individuals and families are negatively affected when their health concerns impact their productivity at work, potentially endangering their income and work stability, and therefore putting individuals and families at increased risk for financial vulnerability, bankruptcy, and homelessness; and

WHEREAS, according to the World Health Organization, “universal health coverage” means that all people and communities can use the health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship; and

WHEREAS, the health of Oregon’s residents and families impacts the state’s communities, businesses, and economy, and when all members of a community have access to universal health care, costs to employers are reduced through decreased employee absenteeism and decreased administrative expenses, and costs to health care providers in the form of lost compensation are also diminished; and

WHEREAS, the United States is the only industrialized, free-market nation on earth that does not have a form of universal healthcare coverage for its citizens; and

WHEREAS, universal health care can be achieved while still preserving an individual’s right to choose his or her health care provider and exercise control over health care decisions; and

WHEREAS, the State of Oregon has established goals meant to achieve improved health care for its citizens, evidenced by previous expansions within the Medicaid system and the recent passage of Senate Bill 558, the COVER ALL KIDS legislation, ensuring health insurance coverage for ALL children in the state; and

WHEREAS, the RAND Report, commissioned by the Oregon Health Authority, confirmed that universal health care coverage in Oregon is indeed achievable and financially viable, and could reduce health industry costs by reducing multiple insurance and billing structures (as in the current system); and

WHEREAS, the state of Oregon now has the unique opportunity to be a vanguard for the future of healthcare in this country by being one of the first states to pass legislation ensuring that all of Oregon’s residents are supported and protected through universal health care coverage.
Now, Therefore, be it Resolved, that the City Council of the City of Milwaukie urges the Governor and the Oregon State Legislature to provide equitable, comprehensive, affordable, high quality, publicly funded, universal health care coverage serving everyone in Oregon, in a manner that is transparent and accountable, involves meaningful public participation, and is affordable to families, businesses, and society.

Introduced and adopted by the City Council on October 3, 2017.

This resolution is effective immediately.

Mark Gamba, Mayor

ATTEST:

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

City Attorney

Jordan Ramis PC
FACT SHEET TO ACCOMPANY THE CITY OF MILWAUKIE UNIVERSAL HEALTH CARE RESOLUTION

The following information is from:

- White, et al. (2017) reported that a single payer health care system, covering all citizens within the state of Oregon, could be achieved at roughly the current annual status quo per-person costs for health care for individuals and employers, with minimal out of pocket health care costs and a complete elimination of health insurance premium costs (p. xiii).
- Almost half of the residents of Oregon receive employer sponsored health coverage, and between the years of 2010-2015, many of these individuals and families were adversely affected by an average deductible increase during that time span of approximately 40% (p. ix).
- Under a Single payer plan, individuals and families with income levels under 250% of the federal poverty level would have 100% Essential Health Benefit coverage, all others would, on average, have 96% of expenses covered. This universal coverage could be achieved through a combination of current pooling of already designated federal and state fund sources, an increase in income tax revenues, and the implementation of a 6.5% employer payroll tax for employers with at least 20 employees (p. ix).
- A single payer plan could “significantly reduce out of pocket premiums for health care and financial barriers to accessing care, particularly for low income Oregonians” (p. xii).
- It is estimated that in 2020, $2.8 billion dollars, or 8.2% of total state health care expenditures, will go to financing administrative activities in regards to the health care system, under the status quo (p xiv). It is projected that under a single payer system, approximately $600 million dollars could be saved annually by reducing/eliminating the administrative activities surrounding health care in the private, state, and federal government sectors (p. xv), this is approximately a 25% decrease (p. 36).
- A single payer option with aggressive payment negotiation would insure all Oregonians without necessarily increasing total health system costs” (p. xviii).
- Under the Affordable Care Act (ACA), the number of uninsured Oregonians dropped to 5.3% in 2015 from 14.6% in 2011 (p. 1).
- As of 2015, employers sponsored premiums of individual coverage in Oregon average $5,822 annually. Single person coverage deductible expenses rose by 40% between the years 2010-2015 (p. 2).
- As of 2009, 10-15% of premium payments went to insurers administrative costs (p. 3).
- A little over one million Oregonians were enrolled in Medicaid or CHIP in 2016. This accounts for a 63% increase since the 2014 state expansion of Medicaid eligibility under the ACA (p. 6). This is approximately 25% of Oregon’s population (p. 75).
- Oregon employers would spend approximately the same amount in the proposed new payroll tax as is currently spent on employee health benefits (p. 10).
- A single payer plan would streamline health care related administrative issues: there would be a single database, one administering agency, a single source for funding, equitable benefits for all citizens, and there would be the elimination of “the need for coordination across insurance sources” (p. 11).
- Of individuals who previously obtained health care coverage under an OHP expansion, there was a 24% increase in individuals reporting that their health, overall, was good, very good, or
excellent. There was a 21% decrease in the likelihood of being in collections over medical bills, and a 20% decrease in the amount of money owed in medical collections (p 31).

- Currently, share of income percentages for health care are significantly higher for lower income households than would be found under a Single payer system (p. 40).
- Employers could benefit from a single payer system. Between 2006-2016, an increase of 58% for employer sponsored health insurance premiums occurred on a national level (p. 44).

The following information is from healthcare.oregon.gov/Documents/AHCA-report.pdf:

- "The AHCA would have direct financial effects on low-income working families, middle class families purchasing individual coverage, older adults, people with chronic illness, and the individuals with disabilities."
- It is estimated that 465,000 Oregonians, currently insured via Medicaid or under individual/group insurance plans, will lose coverage between the years 2018-2023 under the proposed American Health Care Act.
- Approximately 654,000 Oregonians have benefitted from protections within the ACA to not allow exclusion from health insurance or higher premiums based on their pre-existing conditions.
- Oregon’s Medicaid expansion, authorized under the ACA, added 400,000 Oregonians who had previous been unable to obtain health insurance. OHP covers 4 in 10 residents living in rural areas within Oregon, and one in four Oregon residents total.
- The AHCA will not only affect Oregon individuals and families, it will have direct negative impacts on our economy. It is estimated that $2.6 billion dollars in Federal funding will be lost, and that cost burden will be shifted to the state within the next 6 years. $500 million will be lost in federal funding that is directly related to health care costs.
- The current Medicaid system in Oregon has kept the growth rate for health care costs at a very reasonable 3.4%. This was achieved as part of a 2012 agreement to keep annual costs below the national 5.4% rate. If the AHCA passes, federal funds going to the states would be based on fiscal year 2016 costs. Oregon was able to save $1.4 billion dollars in Medicaid costs in FY 2016, which means future federal funding will be reduced by $1.4 billion—Oregon will be penalized for their previous fiscal responsibility. It is projected that between 2017-2019, under the current system, $600 million will be saved at the state level due to cost saving measures.
- Under the ACA, Oregon’s economy benefited from the addition of over 23,000 health care related employment opportunities.
- The CBO estimates that 7 million individuals across the nation are at risk of losing employer-sponsored health coverage by 2026, if the AHCA passes.
- The percentage of uncompensated care in rural Oregon hospitals went from 7.07% in 2013 to 2.93% in 2015. This translates to dropping from $1.3 billion annually to $315 million within those years. Imagine the further cost savings under a single-payer plan!
- Medicaid in Oregon is currently funded from both federal and state coffers, at the rate of 2/3 of funds coming from federal sources.
- It is estimated that if the AHCA passes, 42,000 jobs will be lost in Oregon, not just within the health care field, but also within such sectors as the service and construction industries.

The following information is from amjmed.org/under-aca-medical-bankruptcy-continues/:

- In 2009, it was estimated that 62.1% of bankruptcies in America were caused or exacerbated by health care costs, up from about 8% in 1981.
- Out of pocket medical costs for uninsured bankrupt families averaged over $26,000, while insured bankrupt families averaged over $17,000.
- Of the patients interviewed in the study cited in this article, 37.9% of them had lost a job or had to quit their job due to health issues.

The following is from www.cdc.gov/pcd/issues/2016/150503.htm:

- Researchers looked at the annual cost of lost work production, across the United States, due to two diseases (diabetes and hypertension) and three risk factors (obesity, physical inactivity, and smoking) and found that each disease or risk factor accounts for an estimated $2 billion annual cost in lost work productivity due to absenteeism alone. This is not accounting for the actual health care costs associated with these risk factors and diseases.