

**THEODORE R. KULONGOSKI**  
Governor



## *ANSWERING THE OREGON CHALLENGE*

# **HEALTHY KIDS, HEALTHY OREGON**

**Problem:** Our health care system is caught in a spiral of rising costs and declining coverage. Each year, fewer businesses can keep up with the costs of their employees' health insurance – and fewer working families can make up the difference. As a result, the number of uninsured in Oregon continues to rise. Almost one of every six Oregonians is now without health insurance. And those who have insurance are increasingly insecure about the affordability and sustainability of their coverage.

Under the current system, the state can't keep up either. We are covering more Oregonians through the Oregon Health Plan than in 2003 but there are more than 100,000 eligible citizens waiting to get in – many of whom are working families too poor to afford coverage on their own. Worst of all, the failure of Measure 50 last November left 116,000 children without access to care. That failure cannot become a defeat. Whatever health care reforms we pursue now, however difficult, we must focus on our children. Kids can't wait.

**The Solutions:** The Governor believes that successful health care reform must: expand coverage, control costs, improve quality – and proceed step by step to comprehensive reform.

- Healthy Kids: Provide affordable health coverage to all children in Oregon.
  - Simplify the application process for the Oregon Health Plan, making it easier for children to access health care coverage and less costly for the state to administer
  - Expand eligibility period for children on the Oregon Health Plan from six to twelve months, which will eventually add 20,000 children to the Plan.
  - Fund coverage for all children currently eligible for the Oregon Health Plan in 2009-11.
  - Raise tobacco taxes over time to cover all kids by the end of the next biennium.
  
- Healthy Oregon: Support the Oregon Health Fund Board's comprehensive step-by-step plan for affordable health coverage for all Oregonians. Some likely next steps are:
  - Expand coverage, by offering better-priced options for individuals and small businesses through an insurance exchange;
  - Control costs by coordinating of care for persons with chronic conditions, getting hospitals to reduce medical errors and secondary infections and continuing to expand the Oregon Prescription Drug Program to negotiate better prices for prescription drugs; and,
  - Improve quality, by supporting investments in electronic medical records and the expansion of "medical homes" for primary care.