



Office of the Governor

February 24, 2006

Making health care affordable for all Oregonians

The Problem:

The rising cost of health care inflicts real hardship on families and employers. More than one of every six Oregonians has no health insurance (about 609,000 people, or 17 percent). Nearly half of these are working adults. More than 117,000 are children. The consequences of having no coverage can be deadly. Many uninsured people eventually receive care, but only after their conditions have worsened. They often receive such care in emergency rooms, where medical treatment is most expensive.

In addition to ruining lives, uncompensated health care costs create a drag on Oregon's economy. Unpaid medical bills are a leading cause of personal bankruptcy. Oregonians who have insurance ultimately pay for uncompensated health care through higher insurance premiums. Health insurance premiums for Oregon families who have private health insurance are \$1128 (10.2 percent) higher due to the cost of care for the uninsured.

The Solution:

Governor Kulongoski wants to make Oregon a state where everyone has access to affordable, high-quality health care. He understands that no society can achieve true prosperity if some of its citizens cannot obtain the medical care they need.

- Improve access to health care. The Governor seeks to make health care affordable for all Oregonians, which means reducing the number of people who have no health insurance and investing strategically in sustainable health care models. Such models can improve access by maximizing the value of private and public resources, and by providing incentives to improve quality and contain costs. To reach the goals of reducing the number of uninsured and transforming Oregon's health care system the Governor has proposed both short-term and long-term strategies:
 - *Short term (2007-09):*
 - Enact the Healthy Kids Plan. Healthy kids do better in school. They do better in life. Under Governor Kulongoski's Healthy Kids Plan, all Oregon kids will be eligible for affordable health insurance. All children will have access to health care through the continued expansion of school-based health centers. Most important, the Healthy Kids Plan will provide working middle-class

