



Testimony in Support of HB 3436

March 15, 2013

House Committee on Business and Labor

Oregon Nurses Association

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Chair Doherty and Members of the Committee: Thank you for the opportunity to submit testimony in support of HB 3436.

The Oregon Nurses Association is Oregon's oldest and largest nursing union and professional association, and is proud to represent over 13,000 registered nurses, advanced practice nurses, and nursing students in Oregon.

As the largest segment of the health care workforce, nurses are on the front lines providing care to Oregon's seniors during their retirement years. Retirement is often a time when people face growing medical needs and expenses, often much higher than retirees have planned for, or can afford. A 65-year-old couple retiring in 2012 is estimated to need \$240,000¹ to cover medical expenses throughout retirement, according to the latest retiree health care costs estimate calculated by Fidelity Investments. This represents a 4 percent increase from last year, when the estimate was \$230,000.ⁱ

Currently, nearly half of Oregonians between the ages of 25-64 are not covered by a retirement plan at work. Without the security of a retirement plan, many Oregonians are at risk of not being able to cover their living and medical expenses when they retire and will be more likely to rely on publicly funded services, or forced to make the choice to forgo needed or recommended health care services.

HB 3436 takes the first step in developing a strong and stable retirement plan for Oregonians who do not currently have another option, and can help provide a continuous and secure option for retirement savings and preparation.

HB 3436 will start the process of ensuring that Oregon's retirees can be financially secure and have access to the vital care they need as they age by creating a board charged with developing a plan that will enable every working Oregonian to save money for retirement, regardless of income level and employer. HB 3436 requires the board to develop a plan that is able to serve a broad range of workers and would be portable, allowing workers to change jobs without risk of losing their retirement savings. This will lay the foundation for ensure all working Oregonians have a stable and healthy retirement.

Please support passage of House Bill 3436

Thank you.

ⁱ Fidelity. Fidelity Estimates Couples Retiring in 2012 Will Need \$240,000 to Pay Medical Expenses Throughout Retirement. <http://www.fidelity.com/inside-fidelity/individual-investing/retiree-health-care-costs-2012>.