

Oregon Health Underwriters' Concerns About HB 2269 – Employer Responsibility



- **Requiring Employers to pay a Healthcare Tax on Employees who work part time**
 - Most Oregon carriers set a minimum hourly requirement of 17.5 hrs/wk.
 - Mandating new health insurance costs for employees who work as few as 8 hours per week adds increased cost but more importantly, a significant new administrative burden for employers who are already doing the right thing.
- **Don't Tax Small Employers**
 - HB 2269 affects employers with 50 employees working 8 hours or more per week, some of which are small employers.
 - This would dramatically expand additional costs and requirements to businesses that neither Oregon nor the ACA consider a “large employer” and create a huge new administrative and financial burden on them.
- **Large Employers burdened with a NEW MANDATE**
 - Large employers with more than 50 FTE employees already have an insurance mandate under the ACA that applies to employees working 30 hours or more per week.
- **Public employers should not be exempt**
 - According to Employment Department 2017 statistics, there are 2,975 public employees on Medicaid working 30 hours or more for large public employers in Oregon (2,385 ACA-expansion adults and 590 non-ACA adults).
 - Based on OHA's chart showing work sectors currently employing OHP recipients, that would make “public employers” the 6th largest category – larger than agriculture and forestry, larger than wholesale trade, larger than transportation and warehousing, finance and insurance, construction, arts and entertainment, real estate and so on.
 - If this is the right policy, it's the right policy for every employer, private or public.
- **This is a \$500 million tax to fill a \$120 million hole**
 - Supporters say this new tax will raise \$500 million per biennium:
 - \$120 million for Medicaid
 - \$380 million for a new, as yet undisclosed and undiscussed, state premium assistance program.

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