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QuickPoint! – Oregon's New Health Care Taxes Are Unjustifiable

By Lydia White

Soon after the Oregon Legislature passed <u>a bill</u> expected to generate \$550 million of tax revenue to help pay for Medicaid, the state found nearly 45% of all Medicaid recipients are currently ineligible to receive health care benefits.

The bill imposes a sales tax on health insurance premiums and hospital revenue that will be borne by Oregonians. For example, 217,000 people in the individual market and over 11,000 college students who buy their own health insurance are among the hundreds of thousands of Oregonians who will pay. Local Oregon school districts will pay some \$25 million and community colleges will likely be forced to raise tuition costs, all because of these new taxes.

If the state hadn't awarded Medicaid benefits to over 37,000 unqualified people, costing \$191,000,000, wasted over \$300,000,000 on the failed Cover Oregon insurance exchange website, or spent an additional \$166,700,000 on another failed IT system, even proponents of these new sales taxes would have had a hard time justifying them.

Fortunately, Rep. Julie Parrish (R) and two other state legislators are gathering signatures to refer these taxes to the ballot at what might be a January special election. They need almost 59,000 voter signatures by October 5th to qualify for the ballot.

To help hold Oregon's political leaders and health care bureaucracies responsible, download and sign a petition at <u>StopHealthCareTaxes.com</u>.

Lydia White is a Research Associate at Cascade Policy Institute, Oregon's free market public policy research organization.

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