Republicans question Kulongoskiâ€™s healthcare, tobacco tax proposal

by Bend Weekly News Sources

GOP Committee members question proposalâ€™s scope, sustainability

SALEM, OREGON â€“ Republican members of the House Health Care Committee raised questions today regarding the scope and fiscal sustainability of the Governorâ€™s childrenâ€™s health care and tobacco tax proposal. Reps. Scott Bruun (R-West Linn), Linda Flores (R-Clackamas), Ron Maurer (Rgrants Pass) and Dennis Richardson (R-Central Point) addressed their concerns during a joint House-Senate committee meeting with the Governorâ€™s health policy advisors.

They made the following observations after the hearing.

â€œEstablishing health coverage for all children is certainly desirable, but a new government plan must be affordable and sustainable,â€• said Rep. Richardson, the committee vice chair. â€œThe projected revenues from the tobacco tax will be $70 million less than the cost to fund the â€˜Healthy Kidsâ€™ program in the 2009-11 biennium. Coverage of children should be considered as part of a larger issue of access for Oregonians of all ages, not as a separate issue.â€•

Rep. Flores raised questions over the programâ€™s eligibility rules that provide state-subsidized health care to illegal immigrants and children of families with incomes of 350 percent of the federal poverty level. â€œChildrenâ€™s health care is a great idea, but the Governorâ€™s proposal goes further than simply providing health care to truly needy Oregon children.â€• Rep. Flores said. â€œI donâ€™t believe we can sustain a plan that provides publicly-subsidized health care to families with incomes of $73,000 a year. Along with providing free health care to illegal immigrants, these policies go beyond helping Oregon parents who have no other way of assuring health care for their children.â€•

Rep. Maurer voiced similar concerns about the sustainability of the Governorâ€™s proposal. â€œThe programâ€™s cost more than doubles over the next two biennia, which creates a budget shortfall that the Governorâ€™s tobacco tax increase wonâ€™t cover,â€• Rep. Maurer said. â€œWe have been tasked by the Governor to do â€˜the right thingâ€™ for the kids of Oregon. I believe the right thing is to enact a plan that is sustainable. The â€˜Healthy Kids Planâ€™ is not financially sustainable.â€•

Rep. Bruun questioned the Governorâ€™s proposal to fund the program with tobacco tax dollars, and said the volatility of this revenue source may threaten the Legislatureâ€™s ability to fund the program in the future. "Covering Oregon's children should be a priority," Rep. Bruun said. "However, I have grave concerns about the sustainability of taxing tobacco, a very volatile revenue source. Even the Governor's own budget has it falling $70 million dollars short in the next biennium."

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