



**OREGON
MEDICAL
ASSOCIATION**



END TRIPLE TAXATION ON HEALTH CARE

YES on SB 125

Health care clinics **pay the tax on Medicaid and Medicare patient care** even though these **rates are non-negotiable** and already much lower than the true cost of care. Clinics pay essentially a **third time when medical suppliers pass their CAT** on to them as customers, which can **add millions of dollars per year**. This is not a sustainable model for providing health care to patients.



Costs of delivering patient care have increased at a record pace since the pandemic. **Massive inflation and ever-rising administrative burden** routinely **strain budgets** and health care workforce



According to the AMA, Medicare reimbursement rates have **decreased 29% since 2001** while the cost of medical care has **increased by 121%**. An additional tax has and will continue to limit health access



Reimbursements by Medicare/Medicaid for in-office prescription drug treatments are **lumped into the taxable revenue pool** from which the CAT is calculated so clinics get double taxed for prepaid meds

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"A large portion of my practice is devoted to injecting medications semi-monthly into patients' eyes in order to optimize the retina's function and prevent permanent vision loss. The cycle of reimbursements we eventually get from payers is used to settle the sometimes millions we owe the pharmaceutical manufacturers. Yet we are taxed on the entirety of this reimbursement, so even though the tax itself is a small percentage, the actual dollar amount has a huge implication on our financial solvency."

-Oregon Ophthalmologist

