



February 11, 2021

TO: House Health Care Committee
FR: Maribeth Guarino, Health Care Advocate, Oregon State Public Interest Research Group (OSPIRG)
RE: In Support of HB 2081, Sustainable Health Care Cost Growth Target

OSPIRG is a statewide, citizen-based, public interest organization representing thousands of Oregonians. We support the adoption of a Sustainable Health Care Cost Growth Target program as described in HB 2081.

Oregon health care spending grew at the 4th highest rate in the nation from 2009-2014.¹ From 2013 to 2017, spending per person increased nearly 29%.² These high health care costs translate to more expensive health care services and insurance, meaning Oregonians pay more for the same or less services because they can no longer afford them. Over the last four years, Oregon has recognized that rising cost and considered how to address it. We supported SB 419 in 2017 and SB 889 in 2019 to study and determine how best to implement a program to limit our growing health care costs. The results of those efforts are in this bill - a cost growth target program that sets goals to slow the rising cost of health care and accountability measures for reaching them.

Passing this bill is an important cost-reduction initiative. The cost growth target program is intended to slow spending by determining health care cost drivers and ways to reduce the overall cost of health care, including moving to value-based payments and other methods of reaching the cost growth target. In addition, the SB 419 taskforce recommendations and SB 889 both called for clear consequences for noncompliance, so there are also fair accountability measures in this bill that ensure all due efforts are made to reach the goals of the program.

Moreover, the program will have the flexibility it needs to recommend further methods to slow spending, maintain accountability, identify relevant data, and find future opportunities to transform the health care system as the program is implemented. With these efforts, the program can serve and actually achieve its intended purpose of lowering costs.

We support HB 2081 because it implements a program four years in the making and helps us lower health care costs in Oregon. Lowering costs will help lower barriers to accessing care and move us closer to a healthier, safer society.

Thank you for your consideration.

¹ Oregon Health Policy Board Meeting Minutes, January 7, 2020.

<https://www.oregon.gov/oha/OHPB/MtgDocs/January%207,%202020%20OHPB%20Meeting%20Materials.pdf>

² Sustainable Health Care Cost Growth Target Implementation Committee Recommendations: Final Report to the Oregon Legislature, January 2021.

<https://www.oregon.gov/oha/HPA/HP/HCCGBDocs/Cost%20Growth%20Target%20Committee%20Recommendations%20Report%20FINAL%2001.25.21.pdf>