

February 18, 2022

Oregon State Legislature  
House Committee on Rules  
900 Court St. NE  
Salem, OR 97301

**Re: House Bill 4035 – Medicaid Redeterminations**

Chair Smith Warner and Members of the Committee:

On behalf of Oregon’s 62 community hospitals and the patients they serve, the Oregon Association of Hospitals and Health Systems (OAHHS) supports the provisions in HB 4035 calling for a methodical and careful Medicaid redeterminations process that facilitates a smooth transition for all people exiting the Oregon Health Plan (OHP) to other insurance coverage. We appreciate the opportunities the legislature has created to ensure a collaborative process with robust stakeholder input as this bill continues to take shape. This policy discussion is ultimately about ensuring health care for those Oregonians who need it and those our members have been caring for during the last two years of the pandemic. We have an obligation to understand not only how to help them in the short term, but also how to create stability for them moving forward.

These collaborative discussions must continue with respect to a potential bridge program and must align with other conversations about health insurance and health care affordability more broadly. We reiterate that the problem of affordability is complex, and several groups have convened in recent years or are still working to determine the best way to address it. We will not solve this problem in the long term by rushing to choose any one solution. A bridge program, especially one that goes beyond serving just the “churn population,” could ultimately increase fragmentation in coverage and complexity for consumers, consume operational resources best deployed elsewhere, and could further strain our already fragile health care system. If the program is not financially sustainable – either for the state or for providers and provider networks – enrollees could experience disruptions in coverage and care in the future.

Developing, implementing, and funding a bridge program is a significant undertaking that will require complex negotiations with federal regulators and could carry very high costs for the state. The time it takes to develop and launch such a program may also require holding existing members on OHP for a period of time after the public health emergency ends without the federal match to support it, which will further increase costs for the state. Given these costs, legislative oversight and accountability for the use of state funds is critical. We continue to urge clarity in the bill regarding how the legislature will monitor and oversee this body of work as OHA progresses in its conversations with the federal government.

Any bridge plan should be just that – a true safety net for OHP and a bridge to other coverage. We support making a temporary plan available to those most in need at this time, who fall into two groups identified by OHA:

- Individuals under 200% FPL who are enrolled in OHP as of the end of the public health emergency, and
- Individuals who are uninsured and ineligible for marketplace subsidies.

People who are eligible for federal marketplace subsidies should get coverage through the marketplace. To help them, we should ensure they receive robust navigation assistance to connect them with a plan that meets their needs. Those who are already enrolled on a marketplace plan should not have their coverage disrupted.

We cannot emphasize enough that the redeterminations process must take priority over any other policy considerations regarding health insurance coverage. Now is not the time to create a new program that could take time, attention, and resources away from this important effort.

If a new program is created, legislative oversight and engagement are essential. HB 4035 must establish check points with the legislature throughout the process with CMS. Further, the legislature should require a plan to transition the bridge population to marketplace coverage if federal permissions or funding are insufficient to operate the bridge program.

We look forward to continuing this discussion as we all work together toward uninterrupted coverage and care for the 1.4 million Oregonians currently enrolled in OHP.

Thank you,

A handwritten signature in black ink, appearing to read 'Sean Kolmer', with a long horizontal flourish extending to the right.

Sean Kolmer  
Senior Vice President of Policy and Strategy  
Oregon Association of Hospitals and Health Systems