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January 26, 2023

Representative Rob Nosse, Chair Representative Christine Goodwin, Vice-Chair Representative Travis Nelson, Vice-Chair House Behavioral Health and Healthcare Committee 900 Court Street NE State Capitol Salem, OR 97301

SUBJECT: Clarification of testimony – Jan. 23 hearing on Medicaid and Medicaid 1115 Waiver

Dear Chair, Co-Chairs and Members of the Committee:

The Oregon Health Authority wishes to clarify testimony given on January 23, 2023, during Interim Director James Schroeder and Interim Medicaid Director Dana Hittle's presentation on Medicaid and the Medicaid 1115 Waiver.

Specifically, to promote the objectives of Medicaid, Oregon received significant federal support through Designated State Health Programs (DSHP) totaling \$1.1 billion in federal funds over the five-year waiver demonstration. However, Medicaid is a state-federal partnership, and allocation of state resources is fundamental to that partnership. As such, the state will be asked to contribute \$88 million during the last year of demonstration (SFY 2027) to support coverage for Youth with Special Health Care Needs (YSHCN), Health-related Social Needs (HRSN) services, and related infrastructure investments, for a combined total investment of approximately \$1.2 billion for the demonstration.

In addition, to ensure full clarity around Federal Medical Assistance Percentages (FMAPs) match rates, for 2021-23, the match rates are 60.3% federal and 39.7% state without the COVID increase. With the increase, the match rates are 66.4% federal and 33.6% state.

Thank you again for providing time for OHA to testify on this important topic.

Sincerely,

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James M. Schroeder Interim Director