



February 13, 2023

Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

*Delivered electronically via OLIS*

Chair Patterson and Members of the Senate Committee on Health Care:

The Oregon Association of Hospitals and Health Systems (OAHS) is a mission-driven, nonprofit association representing Oregon's 62 community hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer Oregon with equitable access to quality health care, OAHS provides services to Oregon's community hospitals ensuring all are able to deliver dependable, comprehensive health care to their communities; educates government officials and the public on the state's health landscape; and works collaboratively with policymakers, community organizations, and the health care community to build consensus on and advance health care policy benefiting the state's 4 million residents.

Hospitals are more than just buildings; they are cornerstones within the communities they serve. Our hospitals are employers, partners in community projects, and community spaces—all while providing vital health services to generation after generation of families in communities across Oregon. We know that when our hospitals are strong, our communities win.

We appreciate the opportunity to provide input on SB 704, which would establish a Universal Health Plan Governance Board. Beyond the policy challenges we raised previously during the work of the Joint Task Force on Universal Health Care, we have serious concerns about creating a new permanent government structure to develop a plan for a single-payer universal health plan when many questions remain about the feasibility, benefits, and risks of implementing such a health plan. Therefore, we cannot support SB 704 as written.

OAHS, along with several of our members, raised these questions with the Joint Task Force during their July 19, 2022 listening session focused on hospitals and health systems. Examples of issues that need further consideration include:

- **Continuity of care.** Open 24/7, hospitals understand the importance of continuous access to care. There is no opportunity to pause the delivery of care and restart. How would the plan ensure access to quality care in our communities during what would be a complete dismantling and rebuilding of our health care system?
- **Workforce.** It is critically important that Oregon policies consider the reality of the severe health care workforce shortage across the nation. How will the plan ensure a robust health care workforce and network of providers to meet our communities' care needs?

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- **Economic impact.** The impact of this transformation on our overall economy, and the tradeoffs we would be making as a society, need to be better understood. Health care accounts for a large proportion of the economy in our communities. A transition to a single-payer system would cause widespread economic disruption for those who work in the health care sector alongside disruption in how care is accessed and delivered.
- **Preserving what is working well and integrating other health reforms.** Oregon has long been a leader in health reform. A single-payer system would institute a one-size-fits-all solution, likely making some people better off and some people worse off. How do we weigh this plan against the many other health reforms currently underway or being considered? Are there better, less disruptive ways to close gaps in our current system? How does this work fit with other reforms underway?
- **National and local context.** Oregon does not exist in a vacuum. It remains unknown whether the plan would be able to overcome significant federal regulatory and legal hurdles to operate as a true single payer. We may still end up with a fragmented system if, for example, Medicare and health plans covered by ERISA operate separately. The continued need to coordinate care across state lines and work with out-of-state payers may also diminish some of the benefits of having a single-payer system in Oregon alone. At the local level, the plan would need to consider how to preserve the ability of local communities to meet their unique health care and social needs.
- **Innovation.** How will hospitals and other providers be incentivized to innovate and keep improving their services, technology, and facilities? How would the plan promote quality and value, and would it be a better alternative to current initiatives?

Investing in a permanent government structure with full-time paid employees would be an enormous commitment of our state's limited resources to a program with a highly uncertain future and significant risks to our communities. It would also reflect a choice not to direct those resources toward other programs and initiatives that may be more beneficial and more urgently needed. Before the legislature commits Oregonians to a disruption of this scale, there should be absolute confidence that this plan is feasible and consensus that it is better than all the alternatives. While we acknowledge the extensive work of the Joint Task Force and appreciate the collaborative engagement of stakeholders in developing its recommendations, significant policy questions remain.

Any continued conversation about a single-payer health plan in Oregon must address the issues we have raised above and must consider the context of our health care system's current challenges. In the face of a broken continuum of care, a severe workforce shortage, and persistent financial strain, our primary goals must be to preserve and protect access to quality care, support health care workforce development and retention, and stabilize the state's health care system.

Thank you for the opportunity to engage on behalf of our members and the communities they serve.

Thank you,



Sean Kolmer  
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Oregon Association of Hospitals and Health Systems