



# Oregon Association of Hospitals and Health Systems

March 22, 2023

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

*Delivered electronically via OLIS*

Chair Nosse and Members of the House Committee on Behavioral Health and Health Care:

The Oregon Association of Hospitals and Health Systems (OAHHS) 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, OAHHS 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 collaborative engagement of our labor partners in crafting a bill that will clarify the requirements regarding the hospital financial assistance process and improve it for patients and families. We hope as we continue our conversations, we can come to an agreement on an amendment to House Bill 3320.

Hospitals are an important part of the social safety net in their communities. This was evident during the early stages of the COVID-19 pandemic, when our hospitals extended themselves operationally and financially to support an under-resourced public health infrastructure. When help was needed to provide tests, store vaccines, support mass vaccination clinics and staff community hotlines, hospitals stepped up and got the job done.

As part of their role in the social safety net, Oregon hospitals are committed to community benefit. They have been active participants in the implementation of the first-in-the-nation community benefit program created through HB 3076 (2021).<sup>1</sup> Hospital financial assistance, or "charity care," is a significant component of community benefit spending. In fiscal year 2021, the latest year for which

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<sup>1</sup> See Oregon Health Authority, [HB 3076 Implementation Report](#), December 2022.

we have data, Oregon hospitals provided nearly \$2 billion in total community benefit and \$292 million in charity care specifically.<sup>2</sup>

We agree that hospital financial assistance should be accessible to all who are eligible, and we support improving the process for patients. In its report on the implementation of HB 3076, the Oregon Health Authority noted that “hospital financial assistance policies are largely in alignment with the new legal requirements for patient financial assistance and medical debt.”<sup>3</sup> HB 3320, as agreed to, would further describe the steps that a hospital must take to facilitate access to financial assistance under the hospital’s policies and applicable laws and regulations. We anticipate this additional clarity will help address barriers to financial assistance.

We urge the legislature to consider this bill within the broader context of our health care system. Hospital financial assistance is one tool to help ensure access to health care for patients in our communities, but it is also critical to look at the underlying reasons patients have large medical bills in the first place. Part of that is because commercial insurance plans often have substantial deductibles and other cost-sharing requirements. In fact, one analysis by Kaiser Family Foundation found that over 60% of people who reported problems paying medical bills had insurance.<sup>4</sup> And insurance carriers in Oregon have remained profitable and continued to raise premiums throughout the pandemic.

This is not to single out insurers, but to point out that the reasons for health care cost challenges are complex. We cannot place blame solely on one part of the system. Likewise, we cannot expect one part of it—like hospital financial assistance—to fill all the gaps created by the other parts. HB 3320 is a piece of the puzzle, but the conversation about access to quality care must continue.

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

Thank you,



Sean Kolmer  
Executive Vice President, External Affairs  
Oregon Association of Hospitals and Health Systems

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<sup>3</sup> Oregon Health Authority, [HB 3076 Implementation Report](#), December 2022, p. 3.

<sup>4</sup> Kaiser Family Foundation, [The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey](#), January 2016, p. 10.