**Memorandum**

To: Co-Chair Steiner, Co-Chair Sanchez, and Members of the Joint Committee on Ways and Means

From: Marty Carty, Director of Government Affairs

Date: April 8, 2023

Re: Investments for Health Equity – Basic Health Plan and HB 2002, Section 29

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The Oregon Primary Care Association (OPCA) is a non-profit organization, with a mission to support Oregon's 34 community health centers (CHCs), also known as federally qualified health centers (FQHCs), in leading the transformation of primary care to achieve health equity for all. Health centers deliver integrated primary, behavioral, and oral health care services to over **436,000 Oregonians**. 41% of health center patients identify as a racial or ethnic minority, 18% are uninsured, **68% are publicly insured** (OHP, CHIP, and/or Medicare), 8% are experiencing homelessness, and 3% are veterans. Community health centers provide care to some of Oregon's most vulnerable populations, including **one in four OHP members**.

We write today to offer comment in support of investments in the Basic Health Plan and in House Bill 2002, specifically Section 29 on the FQHC pilot program. OPCA believes that the Basic Health Plan and Section 29 of HB 2002 present opportunities to implement upstream programs that can improve health and social outcomes for Oregonians and decrease healthcare costs in our state.

Oregon's Basic Health Plan is an opportunity to implement a long-term solution to Oregon's continual gaps in health insurance coverage, specifically for those experiencing economic insecurity and other social determinants of health. Racial inequities are a fundamental root cause of health disparities, including unequal access to health insurance coverage – during the Public Health Emergency (PHE), Black and African American Oregonians experienced an unprecedented increase in coverage.

Additionally, the FQHC reproductive health pilot program in HB 2002, Section 29 would establish access points to care in parts of our state where reproductive healthcare is currently unavailable. This pilot would harness existing primary care infrastructure and through those programs expand access to reproductive healthcare services including abortion into communities where those resources do not exist.

**Basic Health Plan**

We urge the Joint Committee on Ways and Means to fully fund the Basic Health Plan; this includes temporary continuous enrollment for BHP eligible lives, design and implementation of the BHP, and transition to a State-Based Marketplace for full implementation of the Basic Health Plan for all Oregonians between 138-200% of the Federal Poverty Level. In the budget framework, we were grateful to see a commitment to the Basic Health Plan; however, **the amount outlined in the framework is insufficient to fund all listed elements**. While actuarial

analysis demonstrate that the actual cost of BHP (besides Oregon-specific elements) will be fully paid for by federal match, there are other associated costs that remain unaccounted for in both Governor Kotek's proposed budget and in the framework produced by the committee.

Previous Medicaid expansion data demonstrates that, overtime, expanding access to Medicaid-like coverage creates savings to the state, both in aggregate and per-capita, with those savings largely hinging on robust plan uptake. As the budget is developed, we encourage the committee to allocate funding sufficient to implement the BHP as designed by the Task Force for the Bridge Health Plan. We urge the Committee to **seriously consider the negative consequences** of failing to provide broad covered services, zero cost-sharing, and above-Medicaid reimbursement rates on both patients and the health system broadly. Additionally, voters across the state made clear the importance of accessible health care by passing 2022 Ballot Measure 111 – instating a Basic Health Plan would be a significant step towards ensuring affordable health care to for all Oregonians.

For Federally Qualified Health Centers, failure to fully implement the BHP would have a profoundly negative impact on their patient population. Data from George Washington University estimates that over 36,000 patients seen at FQHCs in Oregon will lose OHP coverage. Consequently, if there is a not a BHP for them to move onto, they are at risk of becoming uninsured. These patients will still receive the same level of care at their FQHC primary care home, but clinics will have fewer resources with which to provide those services. It is predicted that **FQHCs in Oregon will experience a net $54 million revenue reduction**, even when calculating for potential employer or marketplace coverage for some OHP ineligible lives. That impact will be absorbed in a myriad of ways, unique to each health center. The BHP is not only an opportunity to expand access to health care, but also a critical method to mitigate increasing stress upon an already stretched safety net.

**House Bill 2002: FQHC Reproductive Health Pilot Program**

Federally Qualified Health Centers were founded by Congress to serve medically underserved areas. In Oregon, there is a dearth of abortion care providers, specifically outside of the I-5 corridor. 78% of Oregon counties do not have comprehensive reproductive health care services and 20% of people who received an abortion had to travel upwards of 35 miles to obtain care. Meanwhile, there are FQHC sites in 33 of Oregon's 36 counties. Because of the Hyde Amendment rider attached to certain types of federal funds, FQHCs are not able to provide these services even though their values center on equitable access to holistic health care. House Bill 2002, Section 29 would provide a fix for this gap in equitable care. By establishing a fully state funded program for two mobile reproductive health units, FQHCs will be able to expand their services into this type of care without putting their critical federally funded programs at risk. We request that the Joint Committee on Ways and Means fully fund this initiative, granting Oregonians in rural and frontier areas true access to comprehensive reproductive health care.