

# 2025-27 GOVERNOR'S RECOMMENDED BUDGET Oregon Health Authority



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January 28, 2025

# Oregon Health Authority

2025-27 Governor's Budget Overview

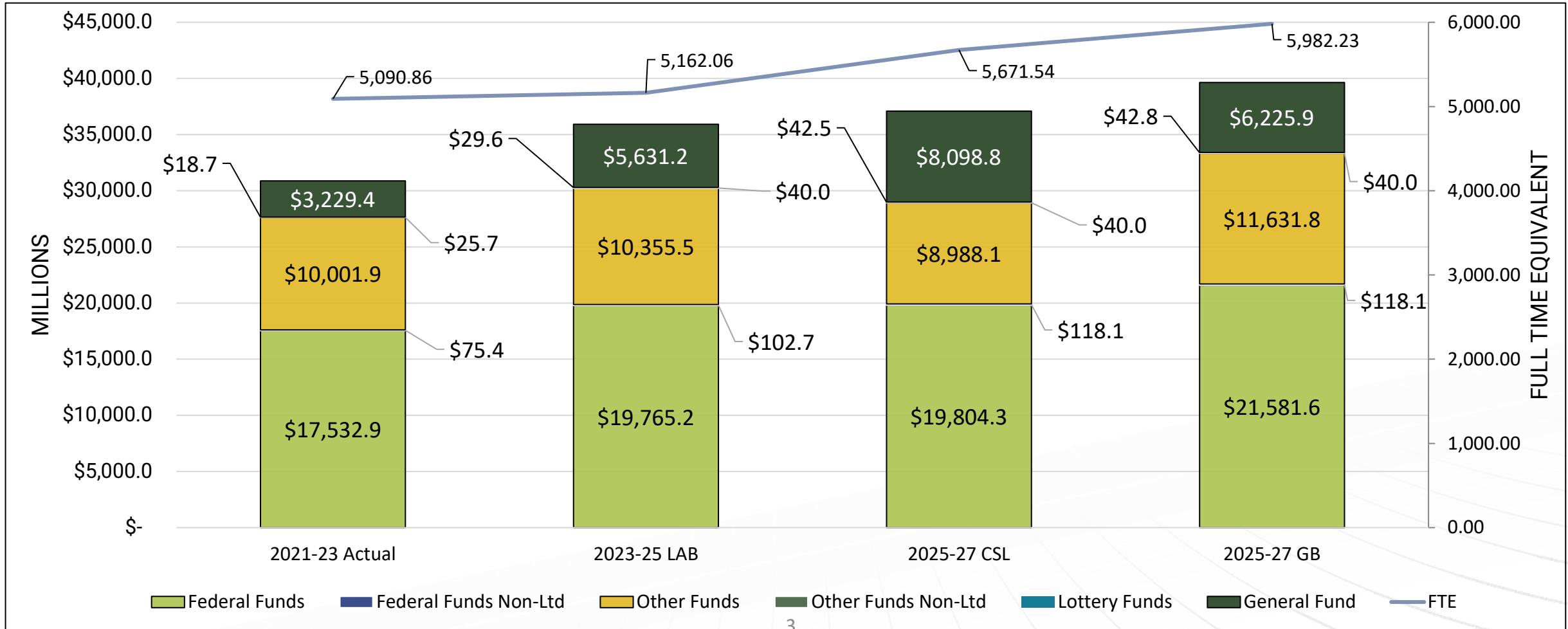


## Emerging Issues

- Behavioral Health Investments
- Stabilizing the State Hospital
- Renewing Medicaid Funding Strategies
- Addressing Medicaid Cost Growth

# Oregon Health Authority

## Expenditure History + 2025-27 Governor's Budget

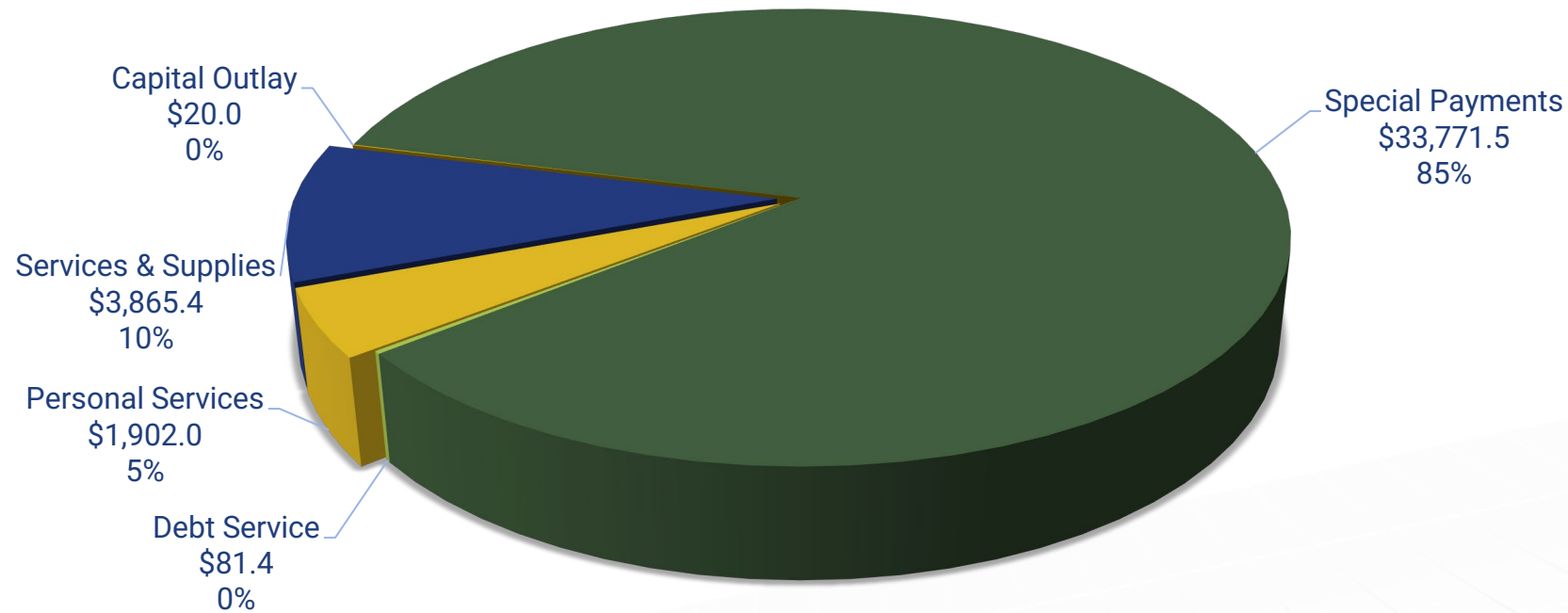


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## 2025-27 Governor's Budget



### Budget by Expenditure Category (in millions)

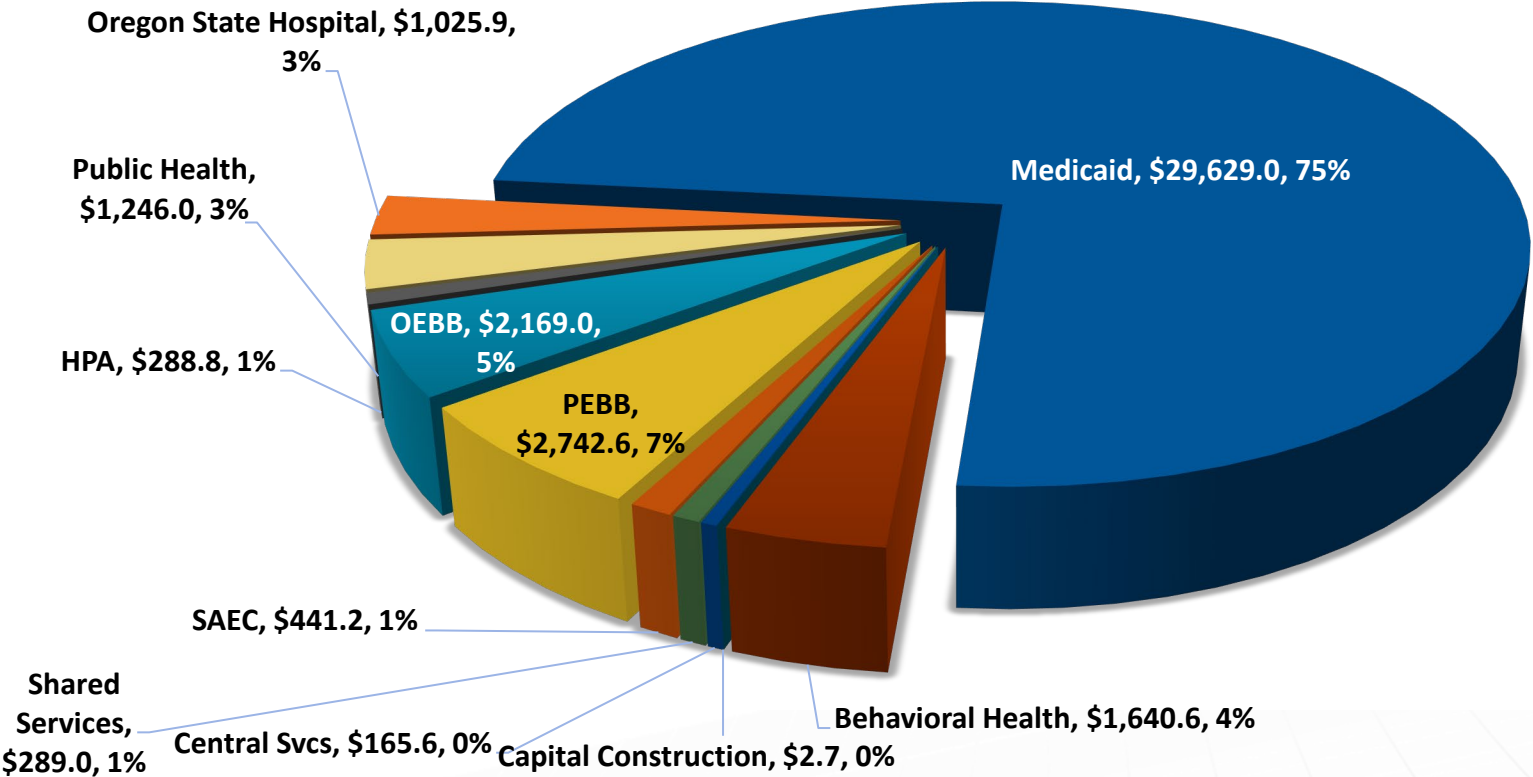


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## 2025-27 Governor's Budget



### Governor's Budget by Agency Program (in millions)





## OHA is primarily funded by Federal Funds (55 percent) and Other Funds (29 percent)

- **Medicaid:** federal match for Medicaid, CHIP and the Basic Health Plan, Hospital Assessments, CCOs / insurers Assessments, Cigarette and Tobacco Product Taxes
- **Behavioral Health:** Marijuana Tax, Cigarette / Tobacco Product Taxes, Opioid Settlement Funds, Beer and Wine Tax, Lottery, Criminal Fines, federal grants
- **PEBB and OEBC:** Insurance premiums and program charges
- **Public Health:** Federal grants, Cigarette/Tobacco Product Tax, fees, program revenue
- **Oregon State Hospital:** Insurance billing, Disproportionate Share Hospital payments, enterprise revenue
- **Health Policy and Analytics:** Grants, federal Medicaid reimbursement, fees
- **Central / Shared Services:** Cost allocation

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2025-27 Governor's Budget



## **Major Investments and Funding Strategies**

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## 2025-27 Governor's Budget - Investments



### **Improved Patient Safety and Care at OSH:**

- Workforce - \$12.2 million General Fund, 136 positions
- Patient Safety - \$21.8 million General Fund, 76 positions
- Patient Safety Monitoring - \$3.7 million General Fund
- Campus Security - \$5.8 million General Fund
- IT upgrades - \$3.1 million General Fund
- Support for Community Transitions - \$2.9 million General Fund

### **Behavioral Health Investments:**

- Behavioral Health Facility Investments - \$100 million General Fund
- Workforce Incentives - \$24.3 million General Fund
- CCBHC Expansion - \$14.1 million General Fund
- Harm Reduction - \$10 million General Fund
- Youth Services - \$14.0 million General Fund



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## 2025-27 Governor's Budget - Investments



### **Medicaid Financing / Program Stability:**

- Graduate Medical Education - \$4 million General Fund / \$9 million total funds
- Disproportionate Share Hospital Payments - \$25 million General Fund
- Hospital Maternity Rates - \$25 million General Fund, one-time
- Behavioral Rehabilitation Service Expansion - \$10.4 million General Fund

### **Other Significant Investments:**

- Health-Related Social Needs for HOP - \$24.7 million General Fund
- Medicaid Carceral Demonstration Project - \$14.3 million General Fund
- Reproductive Health Access - \$5 million General Fund
- Groundwater Crisis Response (LUBGWMA) - \$3.2 million General Fund

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## 2025-27 Governor's Budget - Savings



### **Provider Assessment Renewals**

- Hospital / Insurer Assessments Renewals - \$1,224.9 million General Fund
- Hospital Assessment – Expanded Base - \$281.0 million General Fund

### **HOP Savings**

- GRB Fully Funds Caseload, Eligibility and Benefits for HOP
- Utilization Savings - \$288.9 million General Fund
- Higher Utilization of Matchable Services - \$120.1 million General Fund
- Transfer to Basic Health Plan - \$42.8 million General Fund
- Risk Corridor Payments for 2024 - \$75 million General Fund

### **Medicaid / Other**

- Medicaid Programmatic Savings - \$60.3 million General Fund
- Taxing Synthetic Tobacco (HB 2528) - \$19.3 million General Fund
- Use 988 Tax Revenue to offset Crisis System Costs - \$17.5 million General Fund

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## 2025-27 Governor's Budget - Revisions



- Tobacco Tax Revenue - \$12 million General Fund
- DSHP for Carceral Reduced Twice - \$20.2 million Other Funds

# Thank you

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