

February 6, 2025

The Honorable Rob Nosse, Chair
House Committee on Behavioral Health and Health Care

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Chair Nosse, Members of the Committee,

I'm writing in support of HB 2010. This bill would renew the assessments hospitals and insurers pay to the State of Oregon. The revenue resulting from this assessment funds a significant portion of Oregon's Medicaid budget and provides healthcare access to over 1.4 million Oregonians.

Medicaid is a critical part of the health care continuum in Oregon. As you know, one in three adults and over 50 percent of children receive health benefits through Oregon Health Plan. In Marion County, almost 40 percent of the population is enrolled in Medicaid.¹ Medicaid is a critical part of how Salem Health cares for our community. Salem Health and other hospitals have a long record of supporting and growing the Medicaid program, because it is an important part of our mission.

Though Medicaid is such a critical part of our system of health care, reimbursements under the program haven't kept pace with the actual cost of providing care. This is not sustainable and undermines the ability of patients to access care through the program. In fiscal year 2023, Medicaid reimbursements to Salem Hospital paid 87 cents for every dollar we spent providing care. The resulting delta represents just one of the structural headwinds that hospitals and health systems face today. We are supportive of efforts to start addressing this underpayment as part of the Medicaid budget this cycle.

Salem Health is and always has been focused on the health of people in the communities we serve. We see all patients at all levels of care, regardless of their

¹ Oregon Health Authority: Medicaid Enrollment Report: Office of Health Analytics : State of Oregon. (n.d.). [Www.oregon.gov. https://www.oregon.gov/oha/HPA/ANALYTICS/Pages/medicaid-enrollment.aspx](https://www.oregon.gov/oha/HPA/ANALYTICS/Pages/medicaid-enrollment.aspx)

ability to pay. This means that we care for a substantial number of patients who rely on Medicaid or Medicare.

Salem Health has a long history of supporting Medicaid through payment of the provider assessment; and I am pleased to articulate that support again today. I urge your support of HB 2010.

Sincerely,



Cheryl Nester Wolfe, RN, MSN, NEA-BC
President and CEO