



MEMORANDUM

To: Rep. Nancy Nathanson, Chair, House Committee on Revenue
Rep. Werner Reschke, Vice-Chair, House Committee on Revenue
Rep. Jules Walters, Vice-Chair, House Committee on Revenue
Members of the House Committee on Revenue

From : Bryan Boehringer, Executive Vice President, Oregon Medical Association

Date: February 18, 2025

Re: OMA support for HB 2010 – Extending assessments to fund the Oregon Health Plan (OHP)

We represent approximately 7000 physicians and physician associates who practice across the state and ask you to support HB 2010 to renew existing federal matching opportunities that allow Oregon to continue to invest in and fully fund our Medicaid program.

HB 2010 is a critical piece to fully fund the state's Oregon Health Plan (OHP) budget. This budget ensures that low-income Oregonians will continue to have access to healthcare that addresses the most important causes of death and disease, including health promotion measures, disease prevention, acute and chronic treatment, rehabilitation, and palliative care to achieve the combined goals of improving individual and community health.

As you are all aware, there is a great deal of instability in our healthcare system today. The pandemic brought into sharper focus a healthcare labor supply that continues to be scarce and expensive. Additionally, worldwide inflation and supply chain issues have contributed to and worsened supply shortages. As a result, healthcare systems continue to accumulate financial losses. The situation for clinics is not any better. Clinic staff vacancy rates are near all-time highs. The labor shortage has increased costs and put the existing clinic workforce into a situation where they are understaffed and overworked – creating burnout at historical levels.

All aspects of the healthcare system need assistance and relief to prevent an already fragile system from the deeper fracturing taking place. Fully funding Oregon's Medicaid program is the first step in creating some stability for health care finances.

Additionally, fully funding the OHP remains critical to recruit and retain healthcare practitioners in rural parts of the state. According to the Oregon Office of Rural Health 2023 Oregon Areas of Unmet Health Care Need Report, rural and frontier regions in Oregon lag behind the rest of the state in their ability to meet primary care demand. Notably, 10 primary care service areas have zero primary care-

provider FTE. According to the report, 10% of the state's population fell between 138% and 200% of the Federal Poverty Level; several rural and frontier areas have twice that rate. The report also notes that frontier areas exhibit twice the rate of the state's average for inadequate prenatal care, making the budget's investment in statewide maternity care all the more relevant.

Full funding of the OHP also helps rural Oregon retain its existing health care workforce. Hospitals and clinical practices continue to have difficulty recruiting and retaining clinicians in rural Oregon. Oregon must 'compete' for physicians with every other state with rural opportunities. The loss of these medical professionals would severely limit Oregon's ability to improve the quality, reliability and availability of care for rural patients and could increase, rather than decrease, the total health care costs for rural Oregon.

Finally, we know that patients with dependable access to healthcare enjoy better health outcomes. When Oregonians are uninsured or under-insured it can lead to individuals putting off their health care needs and more serious chronic conditions that end up costing the system more. This results in flooding the capacity of the system with cases that might have been headed off with better access to preventative care. By fully funding the OHP, the legislature can ensure that Oregonians have access to care and that Oregon's clinical community has the tools necessary to care for them.

The Oregon Medical Association (OMA) is a nonprofit organization that engages in advocacy, policy, and community engagement for over 7,000 physicians, physician associates, and medical and PA students in Oregon.

The association serves and supports members in their efforts to practice medicine better, improve the health of Oregonians and provide the best care for their patients. Additional information can be found at www.theOMA.org.