

DEMOCRATIC PARTY OF LANE COUNTY

- To: House Committee On Behavioral Health and Health Care
- From: Charlie Swanson, Chair, Platform Committee of the Democratic Party of Lane County
- Re: Opposition to HB 2205 extends CCO contracts to 10 years

March 19, 2025

Dear Chair Nosse, Vice Chairs Javadi and Nelson, and Members of the Committee,

I am writing on behalf of the more than 100,000 Democrats in Lane County to urge you to oppose HB 2205. This bill would extend the term of a contract entered into between the Oregon Health Authority and a coordinated care organization to 10 years – double the existing 5 years.

The current 5-year contracts have afforded the following:

- 1.) A supportive approach to reevaluating and correcting systems we need to improve on.
- 2.) Relatively frequent assessments to allow for updates and to avoid stagnation in the system.

We are entering into a time of tremendous uncertainty in health care programs. Not only is there widespread public disenchantment with health insurers, but programs with federal support are also facing huge unknowns. If any changes are made to the length of these contracts, it should be to a shorter term.

Besides what is going on at the federal level, the state is engaged in at least a couple of efforts that could lead to the desirability of major reforms in much less than ten years.

- <u>Oregon's Universal Health Plan Governance Board</u> will submit recommendations in September of 2026. While it is too early to predict what will be recommended, it could include changes to CCOs that may be hard to appropriately anticipate in contract language.
- 2) The Oregon Health Policy Board (OHPB) is taking action by launching the Committee on Health Care Affordability and the Industry Advisory Committee on Health Care Affordability. These committees could also

recommend changes to how CCOs function that are hard to appropriately anticipate in contract language.

Please do not increase the term of a contract entered into between the authority and a coordinated care organization. Health care financing is too uncertain to risk a contract that is not sufficiently flexible for these times.

We strongly urge you not to move HB 2205 forward.