



March 11, 2013

Health Share of Oregon Comments on HB 2216

Members of the House Committee on Health:

Thank you for the opportunity to comment on House Bill 2216, which would repeal the sunset on the hospital provider tax. CCOs contract with the State to provide high quality, high value, coordinated care to Oregon Health Plan (OHP) members. Health Share of Oregon is the state's largest CCO, serving approximately 165,000 members in the Tri-County area. Health Share is organized as a private non-profit corporation.

Health Share of Oregon encourages passage of the Governor's proposed budget package for the Oregon Health Plan, including continuation of the hospital provider tax. Without adequate funding, CCOs will not be able to transform our system of care and deliver on the commitment we made to bend the cost curve. In order to fully fund the Oregon Health Plan, we must obtain the maximum federal matching dollars available through the hospital provider tax and the rest of the Governor's budget package.

While the funds allocated to the Hospital Transformation and Performance Pool will not flow through CCOs, we believe that the Pool will help CCOs meet the cost-saving benchmarks required by the health reform law in the first two years. Much of the potential cost-savings immediately achievable in the Medicaid program stem from hospital services. Encouraging a reduction of unnecessary hospital utilization and improvement of patient outcomes in hospitals will lead to better results throughout the Oregon Health Plan.

The fundamental purpose of the health reform law that created Health Share and other CCOs was to achieve the Triple Aim, including containing the rate of spending growth in the Oregon Health Plan. House Bill 2216 and the other components of the Governor's OHP funding proposal are keys to success in that endeavor. Thank you for the opportunity to express Health Share of Oregon's support for HB 2216. We urge your support for all components of the Governor's OHP funding package.

Respectfully Submitted by Janet L. Meyer, Chief Executive Officer