

2017 – 2019

GOVERNOR'S BUDGET

Oregon Health Authority



DAS
DEPARTMENT OF
ADMINISTRATIVE
SERVICES

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Oregon Health Authority

2017-19 Governor's Budget Overview

2

- Governor's priorities:
 - Make Health Care Foundational
 - ✦ Preserve health care benefits and eligibility
 - ✦ Invest in Cleaner Air Oregon
 - Protect Children and Underserved Areas
 - ✦ Cover All Kids
 - ✦ Fully implement behavioral health investments
 - ✦ Expand Hepatitis C treatment
 - Shared Responsibility for Funding Health Care in Oregon

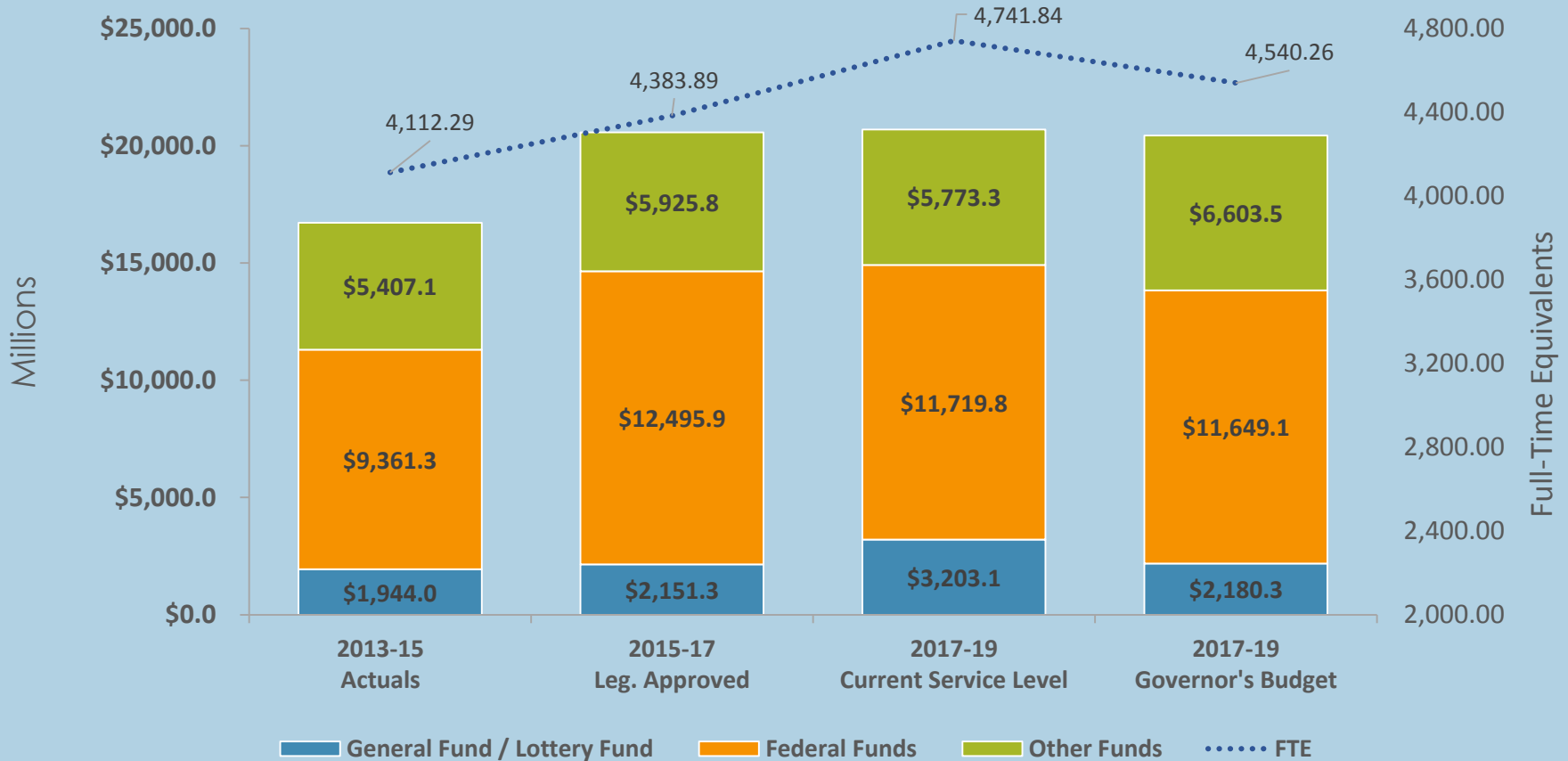
- Emerging issues and General Fund Cost Drivers
 - Decrease in federal Medicaid matching funds and loss of one-time revenue
 - Oregon Health Plan caseload changes impacting General Fund
 - High and increasing cost of both specialty and generic drugs
 - Reduction in Other Funds revenue
 - Medicaid Waiver renewal

Oregon Health Authority

Expenditure History + 2017-19 Governor's Budget

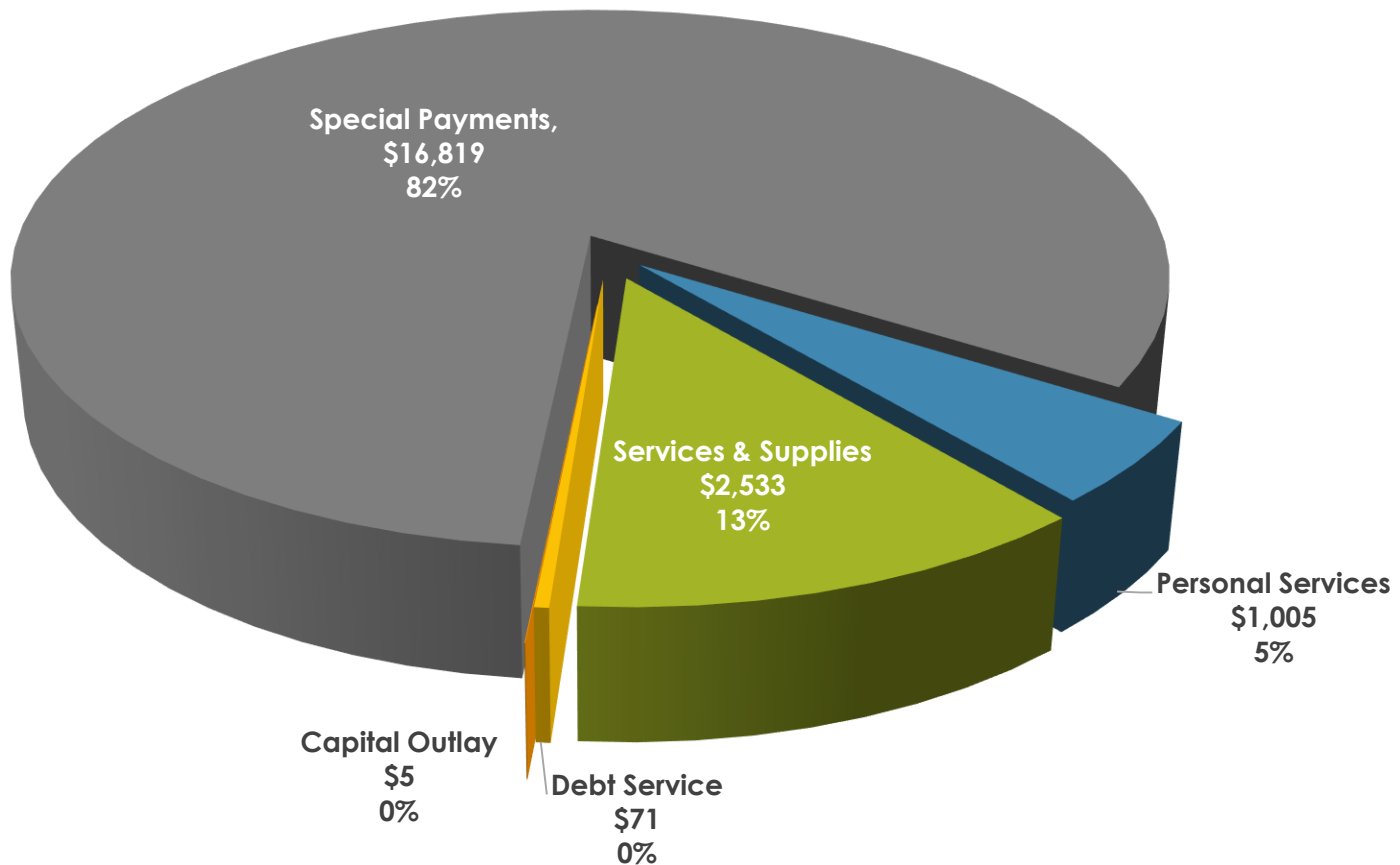
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The 2017-19 Governor's Budget holds General Fund growth to 1 percent above the 2015-17 LAB and 33% below the 2017-19 Current Service Level



5

OHA Budget by Expenditure Category (in millions)



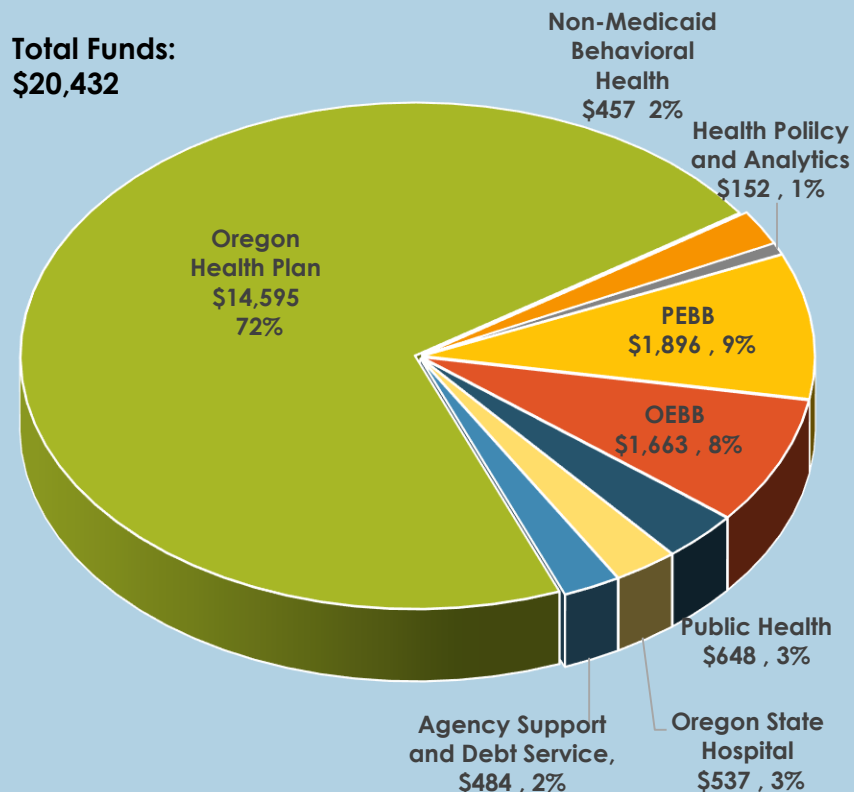
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2017-19 Governor's Budget

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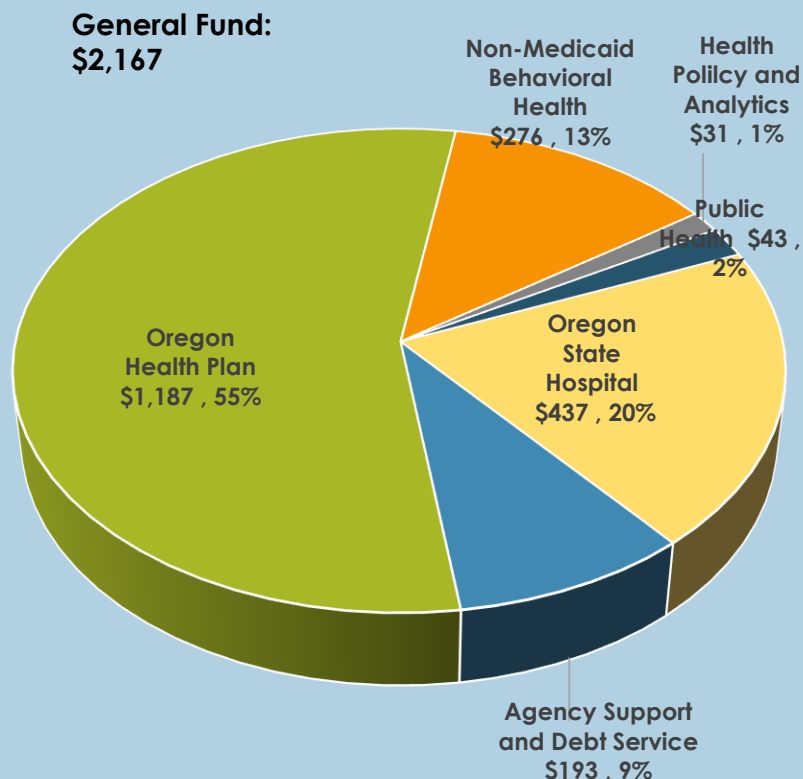
Total Funds Budget by Program

\$ in millions



General Fund Budget by Program

\$ in millions



- Cost Savings Measures and Strategic Reforms:
 - Hospital, insurance, and tobacco tax revenue
 - Hold overall CCO cost growth flat starting January 1, 2018 and reduce CCO administrative rate
 - Limit fee-for-service rate increases
 - Enforce Mental Health Preferred Drug List
 - OHP fraud prevention
 - Close state hospital Junction City campus July 1, 2018
 - 5-10% administrative reduction

- Investments and Key Changes:
 - Cover All Kids
 - Hepatitis C treatment expansion
 - ONE Eligibility System enhancements
 - Cleaner Air Oregon
 - Oregon State Hospital revenue
 - Public Health fee proposals