

March 9, 2021

To: Chair Prusak and Members of the House Committee on Health Care
From: Morgan Beltz, OBI
RE: OBI Testimony in Support of HB 2081

Chair Prusak and Members of the Committee:

Thank you for the opportunity to submit testimony on this important issue for Oregon Business & Industry (OBI). OBI is Oregon's largest and most comprehensive business association representing approximately 1,600 businesses that employ more than 250,000 Oregonians.

Health care costs in Oregon continue to grow at a rate far outpacing the national average, affecting families and businesses across the state. We have monitored the work of the Sustainable Health Care Cost Growth Target Committee throughout the past two years and appreciate the priorities they have outlined in HB 2081-1, which implements the recommendations made by the committee.

OBI is pleased to support HB 2081-1. It outlines a process for payers and providers to work with OHA to understand what health care costs are causing them to be above the 3.4% growth target and if necessary, create performance improvement plans. Successfully implementing the Health Care Cost Growth Target will help stabilize costs for businesses while increasing transparency across the system.

Although we are supportive of the bill, we would like to outline a few concerns for the committee and technical advisory group to consider:

- Health care payers and providers have come together to support cost containment efforts and stand ready to work with OHA. However, they have not received plans from OHA on how the agency will support them and implement the program. With accountability measures built in for the health care system to comply with, OHA should have accountability as well to administer it.
- In order to be successful in finding the underlying cost drivers, payers and providers need regular access to the most up to date claims and utilization data. This data system is currently not operational and is vital for providers to be able to create and implement improvement plans to meet the cost growth target.

We urge the committee to pass HB 2081-1, with consideration of our concerns, in order to successfully implement the Health Care Cost Growth Target to lower costs and stabilize the market for all Oregonians. Thank you for your time and consideration.

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