February 10, 2022

The Honourable Rachel Prusak, Chair
House Committee on Health Care
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RE: HB 4035 redetermination process

Representative Prusak, Members of the Committee:

Oregon and other states have a mammoth task to complete at the end of the federally-declared public health emergency. As you know, Oregon Health Authority (OHA) has received enhanced Medicaid matching funds from the federal government in return for pausing the redetermination process for Oregon Health Plan (OHP) members. The net result is that almost 1.4 million Oregonians are on OHP right now. The increased number of insured Oregonians has been a positive side effective of the pandemic, but OHA estimates that as many as 300,000 people could lose access to OHP through the redetermination process.

It is important to take a strategic approach to the redetermination process. We support OHA’s strategy to preserve health insurance for those with complex health needs by delaying their redetermination. We also believe that legislative, stakeholder, and public oversight of and involvement in the redetermination process should be rigorous, ongoing, and not limited to the duration of the 2022 short session. This is uncharted policy territory, and the Legislature should have final approval over key decision points as they arise.

We agree that it is important to ensure a smooth transition off OHP to other insurance coverage options for those that no longer qualify for the program. However, we should be very careful about attempting to build a brand new program without enough time, especially while other coverage options are available. Given that the public health emergency is expected to end this year, there is simply not enough time to research and consider all of the impacts a brand new program might have on Oregon’s already fragile health care system. The insurance marketplace contains rich plans with significant subsidies. Our job is to connect anyone dropping off of OHP with the right plan. The coverage exists; let us build the administrative processes needed to connect Oregonians with that coverage.
OHA’s proposed 1115 Waiver submission to the federal government addresses several “churn” populations, and could be approved as soon as June 2022 – around the time that redeterminations are likely to begin. Their waiver proposes to reduce churn by ensuring that kids (0-5) have continuous coverage; and that people 6 and older have access to two-year continuous enrolment. The waiver contains additional mechanisms associated with support during life transitions that we believe make sense. If the federal government agrees, then Oregonians on OHP will have extra time to make transition decisions.

Moving forward, it’s important that policymakers consider impacts on Oregon’s health care system when making decisions about Oregon Health Plan or any other publicly-funded health insurance product. We are dedicated to caring for the health needs of our community, and that means ensuring access to care. Expanding insurance coverage is a goal we share, but it must be done in a sustainable way that adequately supports health care providers and infrastructure. The insurance marketplace and federal subsidies are the best way to support these shared goals as we maximize coverage through the redetermination process.

Sincerely,

Cheryl Nester Wolfe, RN
President & CEO, Salem Health