



# Oregon Association of Hospitals and Health Systems

May 1, 2023

Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

*Delivered electronically via OLIS*

Chair Patterson and Members of the Senate Committee on Health Care:

The Oregon Association of Hospitals and Health Systems (OAHHS) is a mission-driven, nonprofit association representing Oregon's 62 community hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer Oregon with equitable access to quality health care, OAHHS provides services to Oregon's community hospitals ensuring all are able to deliver dependable, comprehensive health care to their communities; educates government officials and the public on the state's health landscape; and works collaboratively with policymakers, community organizations, and the health care community to build consensus on and advance health care policy benefiting the state's 4 million residents.

Hospitals are more than just buildings; they are cornerstones within the communities they serve. Our hospitals are employers, partners in community projects, and community spaces—all while providing vital health services to generation after generation of families in communities across Oregon. We know that when our hospitals are strong, our communities win.

Hospitals are an important part of the social safety net in their communities and are committed to community benefit. They have been active participants in the implementation of the first-in-the-nation community benefit program created through HB 3076 (2021).<sup>1</sup> Hospital financial assistance, or "charity care," is a significant component of community benefit spending. In fiscal year 2021, the latest year for which we have data, Oregon hospitals provided nearly \$2 billion in total community benefit and \$292 million in charity care specifically.<sup>2</sup>

We agree that hospital financial assistance should be accessible to all who are eligible, and we support improving the process for patients. In its report on the implementation of HB 3076, the Oregon Health Authority noted that "hospital financial assistance policies are largely in alignment with the new legal requirements for patient financial assistance and medical debt."<sup>3</sup>

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<sup>1</sup> See Oregon Health Authority, [HB 3076 Implementation Report](#), December 2022.

<sup>2</sup> Apprise Health Insights, [FY 2021 Oregon Hospital Community Benefit Dashboard](#).

<sup>3</sup> Oregon Health Authority, [HB 3076 Implementation Report](#), December 2022, p. 3.

HB 3320A would further describe the steps that a hospital must take to facilitate access to financial assistance under the hospital's policies and applicable laws and regulations. We anticipate that these important clarifications will help address barriers to financial assistance for patients.

We appreciate Representative Reynolds' leadership and the collaborative engagement of our labor partners in crafting HB 3320A, which led to our support of its passage in the House. As we discussed during its passage and with stakeholders, we want to ensure effective implementation for both patients and hospitals. We will monitor the implementation of the bill as it unfolds to identify any areas that may need further clarification in the future to ensure patient access to financial assistance.

We urge the legislature to consider this bill within the broader context of our health care system. Hospital financial assistance is one tool to help ensure access to health care for patients in our communities, but it is also critical to look at the underlying reasons patients have large medical bills in the first place. Part of that is because commercial insurance plans often have substantial deductibles and other cost-sharing requirements. In fact, one analysis by Kaiser Family Foundation found that over 60% of people who reported problems paying medical bills had insurance.<sup>4</sup> And insurance carriers in Oregon have remained profitable and continued to raise premiums throughout the pandemic.

This is not to single out insurers, but to point out that the reasons for health care cost challenges are complex. We cannot place blame solely on one part of the system. Likewise, we cannot expect one part of it—like hospital financial assistance—to fill all the gaps created by the other parts. HB 3320A is a piece of the puzzle, but the conversation about access to quality care must continue.

Thank you for the opportunity to engage on behalf of our members and the communities they serve.

Thank you,



Sean Kolmer  
Executive Vice President, External Affairs  
Oregon Association of Hospitals and Health Systems

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<sup>4</sup> Kaiser Family Foundation, [The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey](#), January 2016, p. 10.