



OREGON
HEALTH
AUTHORITY

February 18, 2025

Oregon Health Plan Financing and Medicaid Provider Assessment

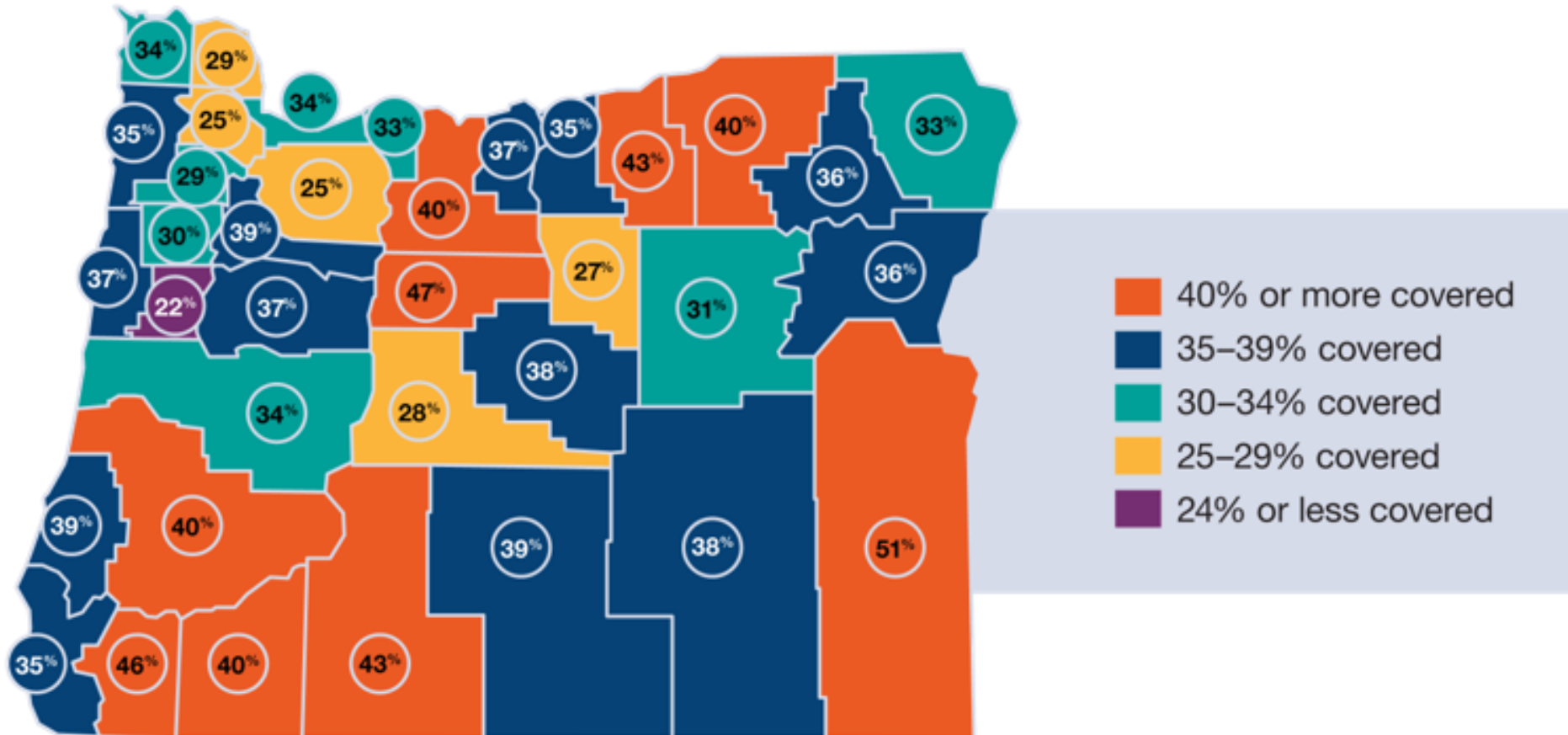
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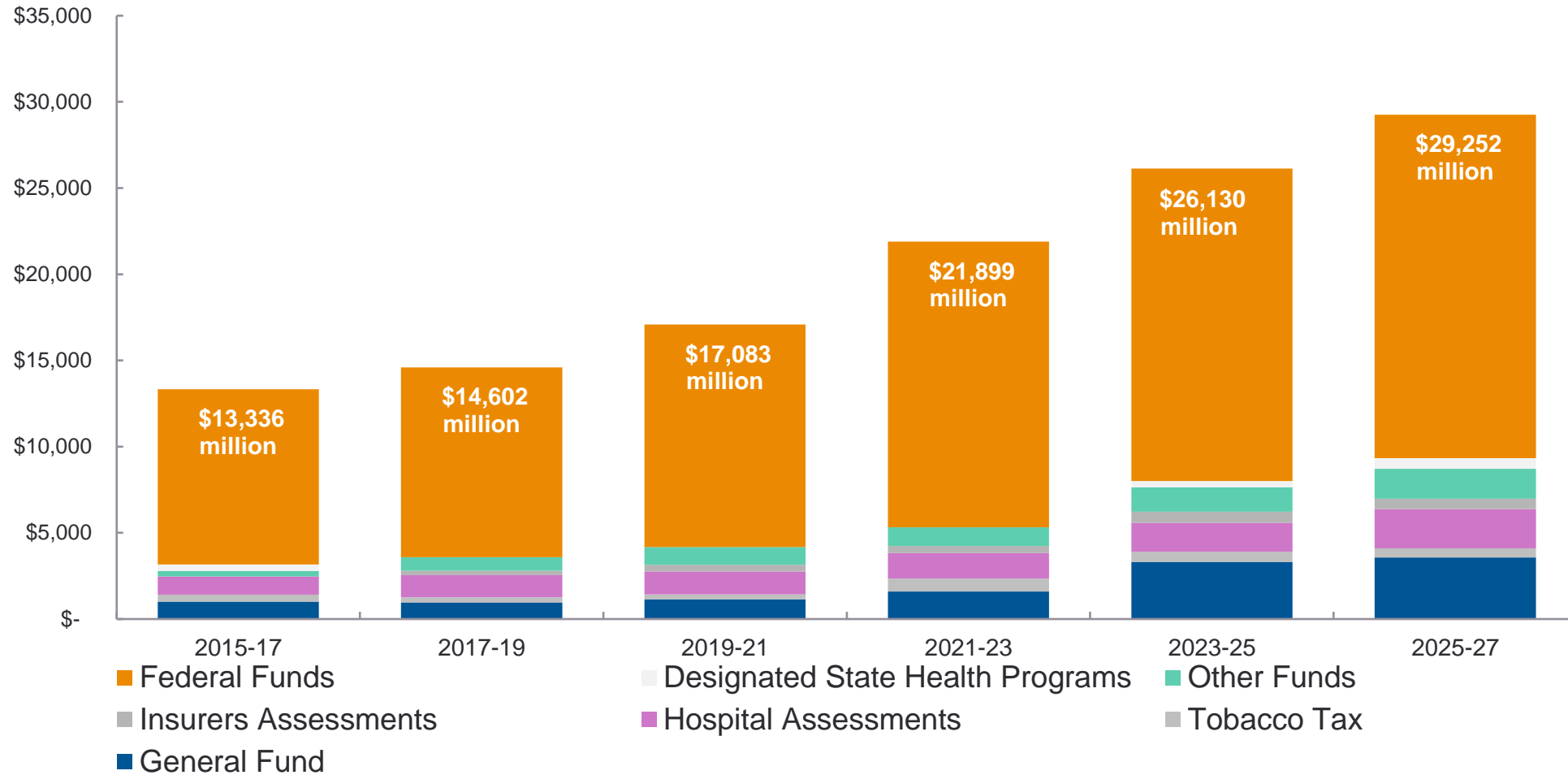
What we will cover:

- Medicaid overview
- Provider assessment overview and requirements
- Overview of current provider assessments
- 25-27 Governor's Recommended Budget

Medicaid Enrollment by County in 2024



Medicaid Historical Funding Sources



HB 2010A

- Extends and aligns hospital and insurer assessments through 2032
- Provides OHA flexibility to leverage full federal funding for large hospital (DRG) assessment
- Continues OHSU public mission and funding program through Intergovernmental Transfer (IGT)
- Ongoing savings of 6% to consumer premiums through Oregon Reinsurance Program

Hospital Program Payment Detail (in millions)

2025-27 Budget with HB2010A

	State Funds	Federal Funds	Total Funds	
Revenue	\$ 2,062	\$ 6,621	\$ 8,683	
Expenditures				
OHP	\$ 1,386	\$ 4,901	\$ 6,287	Federal Amount varies by eligibility category
Additional hospital payments				
Equilibrium - payments in aggregate				
Qualified Directed Payments (QDP)- Lg Hospitals (DRG)	\$ 462	\$ 1,185	\$ 1,647	Paid through CCO, directed to hospitals, based on services provided at hospitals for Medicaid clients.
Qualified Directed Payments (QDP)- Sm Hospitals (A&B)	\$ 92	\$ 221	\$ 313	
Fee-For-Service hospital enhanced payments	\$ 29	\$ 74	\$ 102	Enhanced FFS payment for DRG 80-100% payments.
Fee-For-Service Supplemental Payments (as needed)	\$ -	\$ -	\$ -	Optional payment made if QDP is short.
Sub Total for Equilibrium	\$ 583	\$ 1,479	\$ 2,062	
Hospital payments-addition to equilibrium				
Rate Buy Back	\$ 74	\$ 189	\$ 263	Static amount, added in 2011 to mitigate a rate cut
DSH3 Program Base Budget	\$ 19	\$ 52	\$ 71	Base Budget amount, originally covered all DSH allotment
Sub total	\$ 93	\$ 241	\$ 334	
Total Additional Hospital Payments	\$ 676	\$ 1,720	\$ 2,396	
Total Payments	\$ 2,062	\$ 6,621	\$ 8,683	

2025-27 OHSU IGT

- OHSU Intergovernmental Transfer (IGT) is separate from the 6% provider assessment
- OHSU IGT is projected to be \$1,206,000,000 in 2025-27 biennium
- OHSU is reimbursed 87% of their cost in delivering Medicaid until July 1, 2025 when the mandatory reimbursement lowers to 84%
- CMS considers exempted entities' revenue in determining what the 6% maximum rate for provider assessments



House Committee on Revenue

Department of Consumer and Business Services
TK Keen, Administrator
February 18, 2025



The Oregon Reinsurance Program (ORP)

- Established in July 2017 (HB2391)
- Oregon special ballot measure, Measure 101
- 2% assessment on health insurance premiums
- Partially funded by the assessment, with the remainder paid by federal funds under Oregon's 1332 waiver (currently ends 2027)
- Reimburses health insurance companies on the individual marketplace for qualifying claims
- 21 states operate reinsurance programs
 - Inc: Alaska, California, Idaho, Montana, Washington
- Program has saved Oregonians almost 598 million to date

ORP Numbers

Calendar Year	Total Assessment Collected	Sent to OHA	Retained by DCBS	Federal Waiver	Reinsurance Payments
2017	\$70.8M	\$0	\$70.8M	\$0	\$0
2018	\$121.7M	\$143.7M	\$0	\$0	\$0
2019	\$193.2M	\$135.7M	\$21.9M	\$54.5M	\$90.0M
2020	\$254.6M	\$197.9M	\$11.1M	\$41.9M	\$87.3M
2021*	\$289.7M	\$227.2M	\$19.7M	\$54.4M	\$97.1M
2022	\$320.8M	\$213.2M	\$54.6M	\$55.0M	\$107.8M
2023	\$354.7M	\$332.1M	\$0	\$60.0M	\$103.8M
2024	\$372.1M	\$337.1M	\$0	\$60.0M	\$112.0M
Total	\$1,977.7M	\$1,586.9M	\$325.8M	\$325.8M	\$598.0M



Questions?