

February 18, 2025

Oregon State Legislature  
House Committee on Revenue  
900 Court Street NE  
Salem, OR 97301  
*Submitted electronically via OLIS*

**RE: HB 2010-A, relating to extending the assessment on hospitals**

Chair Nathanson and Members of the Committee:

The Hospital Association of Oregon is a mission-driven nonprofit association representing Oregon's 61 community hospitals. Committed to fostering a stronger, safer Oregon with equitable access to quality health care, HAO provides services to Oregon's community hospitals to support their work delivering dependable, comprehensive health care to their communities. We educate government officials and the public on the state's health landscape, and work collaboratively with policymakers, community organizations, and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.

The Oregon Health Plan (OHP) has played an important role in Oregon's progress toward increasing health coverage.<sup>1</sup> A sustained state effort to expand and maintain coverage has driven a 37% increase in enrollment over the past five years, and now one in three Oregonians—including 57% of children—rely on OHP for access to insurance coverage. In some areas, like Klamath County, more than 40% of the people who live there are covered by OHP.<sup>2</sup>

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<sup>1</sup> Oregon reaches historic number of people with health coverage, Sept. 26, 2024, Oregon Health Authority, <https://content.govdelivery.com/accounts/ORHA/bulletins/3b85c43>

<sup>2</sup> Medicaid Enrollment Report, December 2024, Oregon Health Authority, <https://www.oregon.gov/oha/hpa/analytics/pages/medicaid-enrollment.aspx>



Today, 97% of Oregonians have health insurance, the highest recorded rate in state history.<sup>3</sup> This is a significant achievement and one that Oregon hospitals are proud to have contributed to through their support of and participation in the state's assessment on their net revenue.

Hospitals play an important role in funding OHP by contributing to the state's local match, which leverages federal dollars to sustain the program. In fact, the hospital assessment—when combined with federal matching funds—accounts for more than a quarter of OHP's total funding.

However, without legislative action this session to reauthorize the hospital assessment, OHP stands to lose nearly \$2 billion in funding. If that happens, the state faces widespread cuts to benefits, services, and programs that 1.4 million Oregonians depend on, threatening the stability of our health care system.<sup>4</sup>

The hospital assessment and the other components of HB 2010-A have historically received broad bipartisan support because they benefit every corner of the state. The passage of this package is a commitment to supporting coverage for children, seniors, low-income families, and rural communities. It is also a critical step in preventing further destabilization of Oregon's hospitals, approximately half of which are operating at a loss, with some already forced to reduce or eliminate services. Continued funding for OHP protects access to care for vulnerable Oregonians and the availability of services for us all.

Support for HB 2010-A is crucial to maintaining Oregon's gains in extending health coverage to more people and protecting the services they need. We urge legislators to reauthorize the hospital assessment and the other components in this bill. The health and well-being of Oregonians depend on it.

Sincerely,



Sean Kolmer  
Executive Vice President, External Affairs  
Hospital Association of Oregon

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<sup>3</sup> Oregon reaches historic number of people with health coverage, Sept. 26, 2024, Oregon Health Authority, <https://content.govdelivery.com/accounts/ORHA/bulletins/3b85c43>

<sup>4</sup> 2025-27 Agency Request Budget, pg.764, Oregon Health Authority, [OHA 2025-27 Agency Request Budget.pdf](#)



## About the Hospital Association of Oregon

Founded in 1934, the Hospital Association of Oregon (HAO) is a mission-driven, nonprofit trade association representing Oregon's 61 hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer, more equitable Oregon where all people have access to the high-quality care they need, the hospital association supports Oregon's hospitals so they can support their communities; educates government officials and the public on the state's health landscape, and works collaboratively with policymakers, community based organizations and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.



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