

HB 2212: Planning for the Evolution of Oregon’s Medicaid Model

The Oregon Health Plan (OHP, Oregon’s Medicaid program) is essential for providing comprehensive health care coverage to individuals and families across the state. One out of three Oregonians are on the OHP and 57% of the state's children depend on Medicaid for their health care needs.

The Triple Aim: better health, better care, and lower costs

The Prioritized List has been a foundational element of OHP for more than three decades. The Health Evidence Review Commission (HERC) manages the Prioritized List, using evidence review, cost analysis, and public involvement to rank the conditions and treatments that can be covered by OHP. It combines conditions and treatments into “lines” and ranks them based on evidence, ensuring more effective treatments are higher on the list than less effective ones. Treatments are automatically covered based on the prioritization lines and available funding, and other processes exist to determine whether additional coverage is appropriate.

The role of the Prioritized List is spelled out in the 1115 Medicaid Demonstration Waiver that grants federal approval for the Oregon Health Plan. Managing Medicaid requires balancing the dynamics of who is eligible, what are providers reimbursed, and what is covered. The Prioritized List is a fundamental strategy in Oregon’s journey to balance these dynamics and achieve the Triple Aim.

Continuing to innovate and be a national leader in Medicaid

Oregon is the only U.S. state or territory to manage the Medicaid benefit through a Prioritized List process. While other states navigate Medicaid benefits without a Prioritized List, they also haven’t achieved a rate of 97% of their residents having access to quality health coverage. The Prioritized List was an innovative concept in the 1990s and still is. Rather than balancing its Medicaid budget by reducing enrollment, as Oregon used to do, or reducing payments to providers, the Prioritized List provides a transparent, public, equitable, evidence-based, and accountable way of determining what is covered by OHP.

When the Centers for Medicare and Medicaid Services (CMS) approved Oregon’s most recent waiver in 2022, the federal agency told the state that the Prioritized List must be integrated into the State Medicaid Plan and removed from the state’s next waiver in 2027. This evolution is an opportunity to continue the innovation that began when Oregon set its own course for Medicaid.

Diverse perspectives and expertise are essential to the success of the Oregon Health Plan

HB 2212 establishes a task force that will partner with the Oregon Health Authority on the evolution of the Prioritized List. This task force will engage CCOs, oral and behavioral health providers, DHS, OHA, and Tribal representatives, and others to ensure the state moves the Prioritized List into the State Plan Amendment while weighing opportunities to innovate and receiving advisory counsel from the broad community that delivers and experiences the OHP.

**HB 2212 is supported by a broad coalition of
OHP providers, payers, partners, and advocates**



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