

House Concurrent Resolution 202

Sponsored by COMMITTEE ON RULES (at the request of John Kitzhaber for Health System Sustainability Group)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Declares the need to improve our state's health care system. (Flesch Readability Score: 78.2).

Declares a state policy goal that by 2033 Oregon's health care system will be more affordable and accessible.

CONCURRENT RESOLUTION

Whereas the cost of health care in Oregon has become unaffordable for individuals, employers and government; and

Whereas Oregon is projected to lose over \$8 billion in federal Medicaid funds over the next three biennia; and

Whereas the intersection of rising health care costs and the loss of federal funds will put unprecedented pressure on the General Fund, which will:

(1) Compromise access to care, particularly in rural parts of this state; and

(2) Undermine the state's ability to invest in other priorities, such as education, housing and economic opportunity, many of which have a direct impact on the health of the population; and

Whereas 15 percent of Oregonians have delayed or avoided needed medical care because of cost; and

Whereas the leading cause of personal bankruptcy in Oregon is the inability to pay a medical bill; and

Whereas over half of Oregon's hospitals are operating at a loss; and

Whereas medical clinics and practices, including independent practices, are struggling to remain solvent; and

Whereas the cost shift to employers is driving higher premiums and deductibles for employees; and

Whereas there are multiple factors driving the increasing cost of care, including:

(1) A payer mix with a large proportion of publicly funded health care programs such as Medicaid and Medicare;

(2) Oregon's poor business climate;

(3) A costly regulatory framework;

(4) Underinvestment in Oregon's primary care infrastructure;

(5) Inefficiencies and misaligned incentives in the delivery system and payment model;

(6) External cost drivers, including prescription drugs, labor and workforce issues and a fragmented behavioral health system;

(7) The need for primary prevention; and

(8) The disparity between unlimited demand and the reality of finite resources; and

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 Whereas all of those factors must be addressed to achieve a sustainable solution; and

2 Whereas the escalating cost of health care is threatening the health and well-being of
3 Oregonians, the stability of the General Fund and the competitiveness of our businesses; and

4 Whereas this crisis in cost and access was decades in the making and cannot be turned around
5 in a single biennium; and

6 Whereas addressing the crisis will require a consistent set of budgetary and policy decisions
7 over the course of three biennia, guided by a long-term policy vision; now, therefore,

8 **Be It Resolved by the Legislative Assembly of the State of Oregon:**

9 That we, the members of the Eighty-third Legislative Assembly, declare a state policy goal that
10 by 2033, through the collective and collaborative efforts of Oregon businesses, health care providers,
11 health insurers and labor leaders, we will live in a state where:

12 (1) All Oregonians have timely access to a patient-centered primary care home and to quality,
13 affordable health care services;

14 (2) Population health outcomes are improving;

15 (3) Our health care system is far less complex than it is today, is easy to access and navigate
16 for individuals and is enjoyable to practice in for providers and other health care workers;

17 (4) Hospitals and medical clinics and practices, including independent practices, operate on a
18 stable, sustainable financial footing;

19 (5) The cost shift to employers is minimized; and

20 (6) Utilization, unit price and total cost of care trends are below the national average.

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