



February 5, 2026

Oregon State Legislature
House Committee on Health Care
900 Court Street NE
Salem, OR 97301

Submitted electronically via OLIS

RE: HB 4040, Section 1 (presumptive eligibility)

Chair Nosse and Members of the Committee:

The Hospital Association of Oregon represents Oregon's 60 hospitals. We write in support of Section 1 of HB 4040 pertaining to presumptive eligibility under Oregon's hospital financial assistance law. The provision will protect the integrity of Oregon's presumptive eligibility law while addressing unintended consequences.

Hospital financial assistance means that a hospital waives the cost of all or part of a hospital bill. A patient may qualify for financial assistance whether they have insurance, and regardless of the source of insurance.

When the law for presumptive eligibility screening was enacted in 2023, there was an expectation that existing commercial tools, like Experian and Waystar, could reliably determine eligibility for financial assistance to not only make financial assistance easily accessible to patients but also reduce reliance on direct staff time for determining eligibility. Now, it is understood that the tools currently available to hospitals to screen patients for presumptive eligibility cannot accurately and reliably identify who is eligible for financial assistance.

The changes proposed in Section 1 of HB 4040 protect the integrity of access to financial assistance. For people who have insurance and are not on a state medical assistance program such as Medicaid, it focuses presumptive eligibility on those who have larger hospital bills, providing them with relief early in the financial assistance process. Patients who owe more than \$1,500 for a single hospital encounter would be screened for presumptive eligibility.



Patients who owe any amount may still apply for financial assistance. If an individual's income is up to 400% of the federal poverty level (FPL), they qualify for some financial assistance. For an individual in 2026, 400% of the FPL is an income of \$63,840 a year. For a family of four, it is \$132,000 a year.

The approach in Section 1 of HB 4040 preserves the ability of patients to apply for and receive financial assistance, and it will keep presumptive eligibility the same for those who are uninsured or enrolled in the state's medical assistance program.

Oregon's presumptive eligibility law, which the hospital association supported, increased the administrative burden on the hospital workforce and placed substantial pressure on Oregon's health care system, which is under considerable strain. This challenge comes at a time when half of Oregon hospitals are operating at a loss, and some have been forced to close services. In the last year, two hospitals announced plans to close inpatient beds.

When the state plans for the future, a critical component of the plan should be how hospital financial assistance fits into the bigger picture of affordable health care. Efforts should be made to ensure the law helps patients and families without unintended benefits to others, such as insurance companies, at the expense of the sustainability of hospital services and jobs.

We urge support for HB 4040, Section 1, to protect the integrity of Oregon's presumptive eligibility law.

Sincerely,



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

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 60 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.

