

Submitter: John Kitzhaber  
On Behalf Of: Health System Sustainability Group  
Committee: Senate Committee On Rules  
Measure, Appointment or Topic: HCR202  
House Concurrent Resolution 202  
Senate Rules Committee  
February 27, 2026

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Chair Jama, Vice Chair Starr, members of committee. For the record, my name is John Kitzhaber, former emergency physician, Senate President and three-term Oregon Governor. I'm here today to support HCR 202.

This resolution was submitted at my request—on behalf of the Health System Sustainability Group—a coalition of hospitals, physicians and insurers who have been developing a series of strategies to address the accelerating crisis in healthcare cost and access that is rapidly overtaking our state.

This crisis was decades in the making, and cannot be turned around in the course of a single two-year state budget and legislative cycle. The Health System Sustainability Group believes that we need a multi-year strategy, guided by a clear vision of what we want our healthcare system to look like in 2033—the values we want it to reflect and the outcomes we want it to produce.

HCR 202, establishes that vision – a North Star that will help keep us on course, by giving us the ability to ensure that the individual budget and policy actions, taken across three biennia, will consistently move us toward, not away from, our goal.

It would be easy to blame the crisis that confronts us today, on recent congressional action, under which Oregon will lose \$11 billion in federal Medicaid funds over the next decade.

But the fact is, that our healthcare system has been on a financially unsustainable trajectory for a long time. Even before this congressional action, half of our hospitals were operating at a loss, and across Oregon, medical clinics and practices—especially independent practices— were struggling to remain solvent because of the relentless increase in the total cost of care.

At the same time, the cost of care has been undermining access for hundreds of thousands of Oregonians. Since 2019, the cost of family coverage increased 24%.

And 15% of Oregonians routinely delay or avoid seeking needed medical care because of the cost. The leading cause of personal bankruptcy in our state is an inability to pay a medical bill.

The intersection of escalating cost, and the loss of federal funds, poses an existential threat to Oregon: a threat to access, a threat to the stability of our general fund, a threat to the state economy.

I am reminded of a passage in Ernest Hemingway's novel, *The Sun Also Rises*. Bill Gorton is asking Mike Campbell, "How did you go bankrupt?" Mike replies, "Two ways. Gradually, then suddenly." That's where we are with our healthcare system. The "gradual" part is over. Things are about to get "sudden."

The healthcare sector is one of the state's largest employers—and in many rural communities, it is the single largest employer. This sector contributes over \$38 billion each year to the Oregon economy — and it's starting to unravel. If it does, the human and economic consequences will be staggering.

Oregon has a long history of charting its own course when it comes to healthcare—and our success has been due largely to the fact that we have never viewed healthcare through a partisan lens. In 1989, the bill created the original Oregon Health Plan passed the Senate unanimously, and the House 57-3. The legislation that created Oregon's Coordinated Care Organizations in 2012 passed the House — which, at the time, was evenly divided between Republicans Democrats — by a vote 53-7. HCR 202 offers us the opportunity to carry that proud tradition forward.

I urge you to seize that opportunity by moving HR 202 to the House floor with a do-pass recommendation.