Ways & Means Presentation
Medicaid Division

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Overview

- What is Medicaid
  - Overview
  - How the Medicaid Division advances OHA's Strategic Plan
  - Organizational structure
  - Partnerships
- Key Program Updates
- Key Successes
  - Primary impacts and outcomes
- Budget Overview
  - Budget drivers and major program changes
  - 2025-27 Governor's Budget request
  - 2025-27 Focus areas
- Policy Option Packages

What is the Medicaid Division?

What is the Medicaid Division: Our Work

Oregon Health Plan (OHP):

- Oregon's Medicaid program. Covers doctor visits, hospital care, behavioral health services, oral health services, health-related social needs (HRSN) and additional benefits for children and pregnant people.

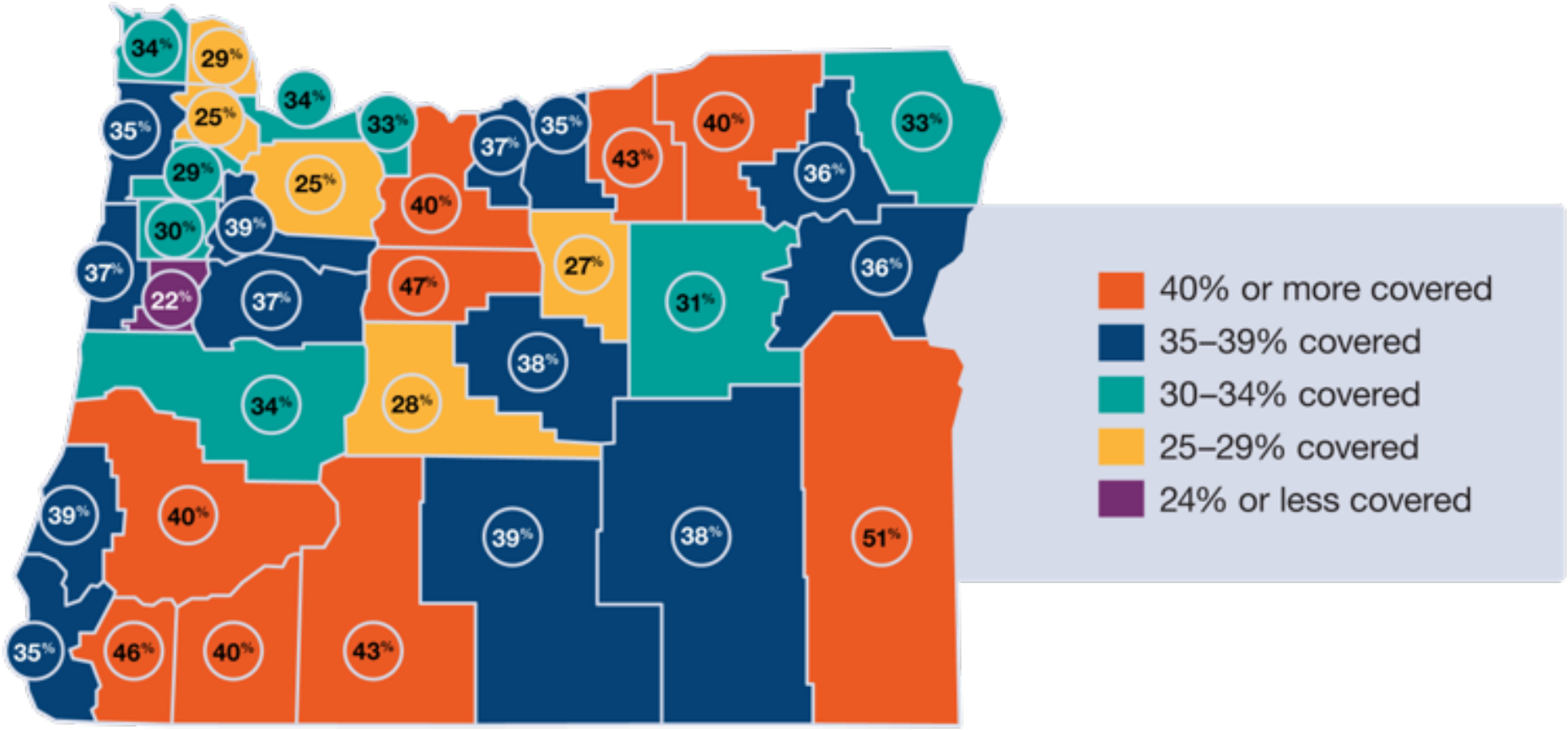
Healthier Oregon:

- Provides full OHP benefits to anyone meeting income and other OHP eligibility requirements. Immigration status no longer determines if someone can qualify for full OHP.

OHP Bridge:

- Covers medical, dental, and behavioral health care, along with additional benefits like transportation to medical appointments and health-related services.
    - OHP Bridge does not include coverage for long-term services and supports or HRSN.

Medicaid Enrollment by County in 2024



What is the Medicaid Division: Populations Served

1.4 million Oregon Health Plan (OHP) members

1 in 3 people in Oregon covered by Medicaid

57% of Oregon's Children (0-17 years old) covered by Medicaid

Over 40% of births covered by Medicaid

144 total written language preferences among OHP members

242 unique spoken language preferences among OHP members

What is the Medicaid Division: Our Work Structure

Coordinated Care Organizations (CCOs)

- **92.4%** members are enrolled with CCOs
- Manage financial risk and coordinate health care access for their members

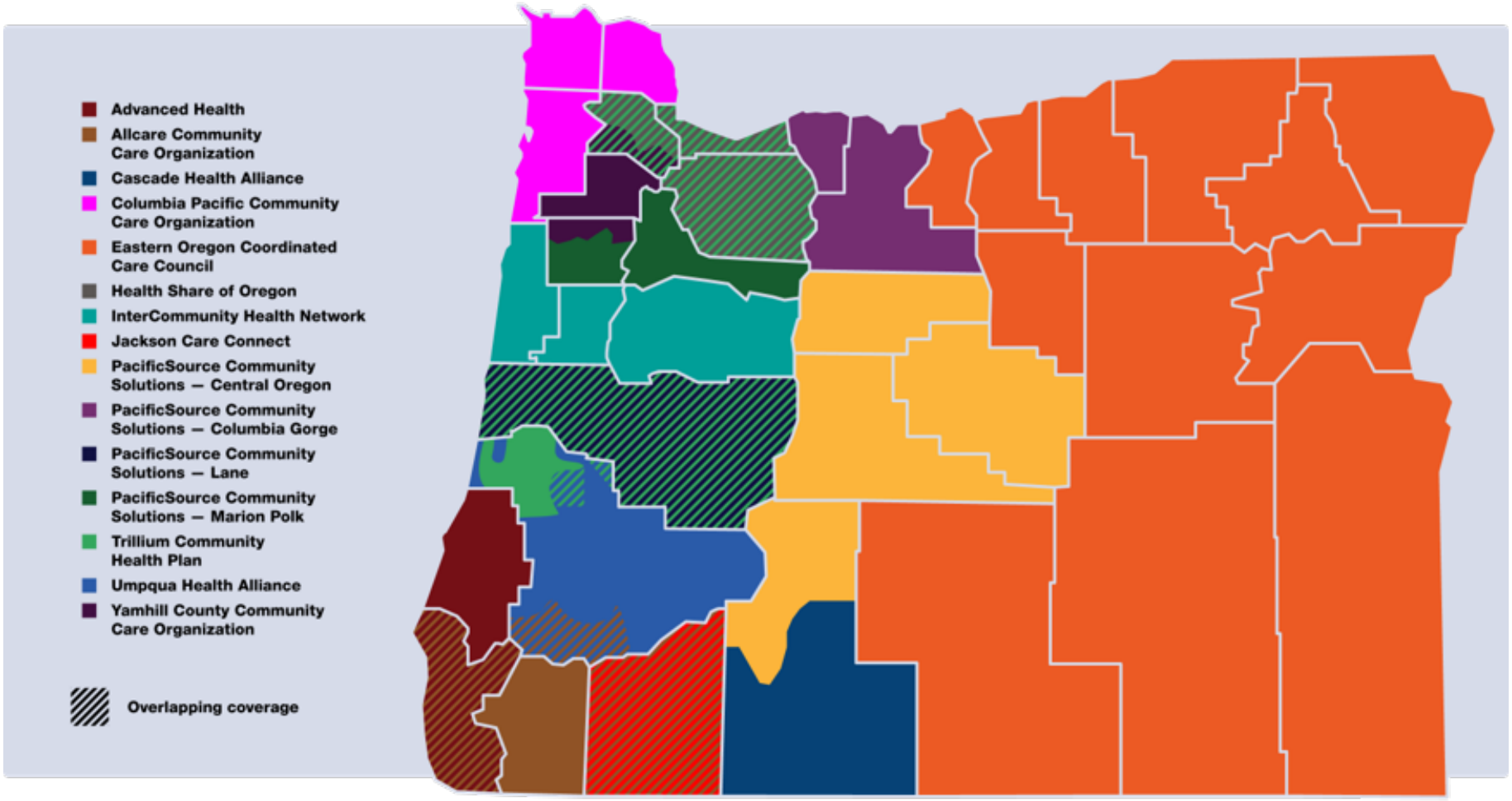
Statewide Fee for Service (FFS)

- **7.5%** members have an “open card” arrangement
- OHA pays providers directly for services to members
- Exists outside the CCO structure due to federally mandated exemptions
- Carved out services for all Medicaid-eligible populations
    - Behavior Rehabilitation Services
    - Home and Community-Based Care

FFS Covered populations can include:

- American Indian/Alaska Native people
- Youth involved in child welfare
- Youth served by Oregon Youth Authority
- People who are Dual Eligible for Medicaid and Medicare
- Newly eligible pregnant people in 3rd trimester
- Children with complex medical needs (“medically fragile”)
- People with third party insurance

16 Coordinated Care Organizations (CCOs)



Medicaid Division: Outcomes

Outcomes of Medicaid's work:

- Expanded eligibility for children, immigrants, and adults with incomes between 138% and 200% of FPL.
- Helped people maintain OHP coverage after the end of the Public Health Emergency (PHE).
- Increasing access to preventative services (e.g., screening, vaccinations, HRSNs).
- Covering Substance Use Disorder treatments, including Medication Assisted Treatment (MAT).
- Providing culturally appropriate care and telehealth to reach underserved areas.
- Medicaid played a key role in insurance coverage for key groups.

Health Insurance Coverage in Oregon	2017	2023
Statewide	93.8%	97.0%
American Indian or Alaska Native	89.7%	96.3%
Black or African American	91.4%	93.9%
Latinx	84.6%	92.3%
19- to 34-year-olds	88.0%	94.0%

OHA's Strategic Plan

Medicaid Division Supports Strengthening Access

Strengthening Access to Affordable Care for All

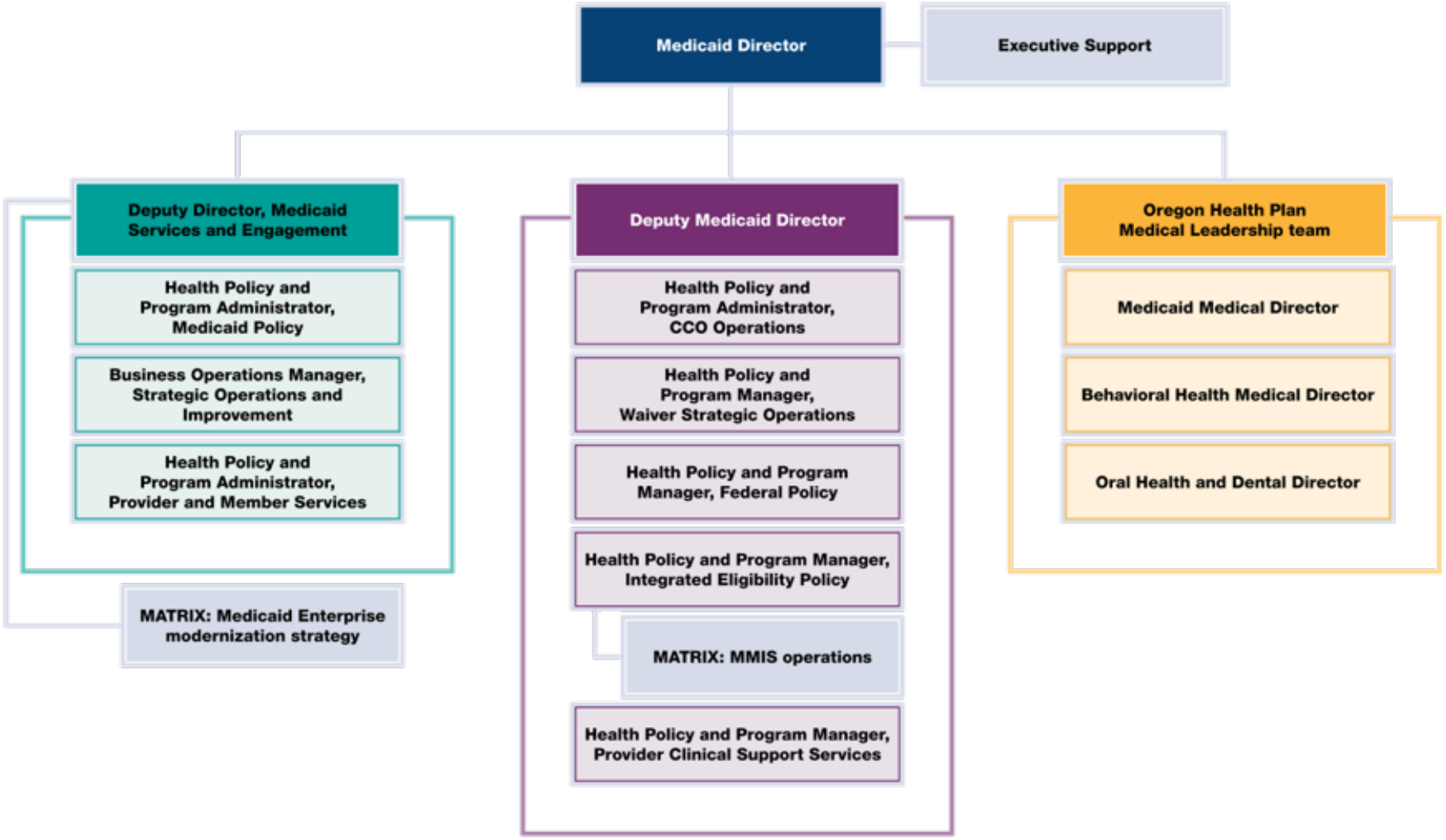
- Expanding Coverage
- Maintaining Coverage
- Providing Essential Services
- Addressing Needs
- Focusing on Health-Related Social needs

Medicaid Division Enhances OHA's Strategic Goals

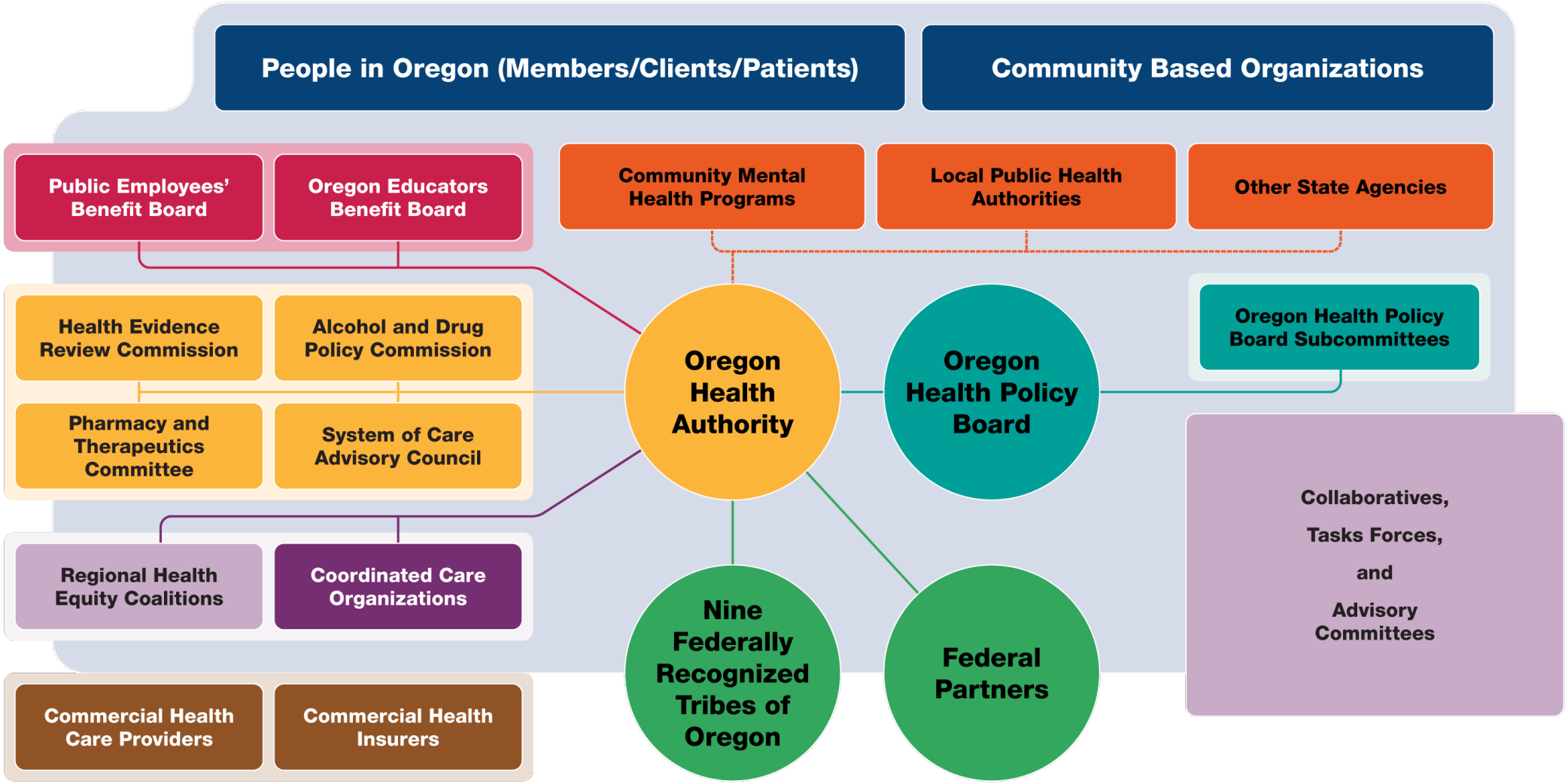
Medicaid also enhances OHA's other strategic goals by:

- Transforming Behavioral Health
- Fostering Healthy Families and Environments
- Achieving Healthy Tribal Communities
- Building Capacity to Eliminate Health Inequities

Organizational Structure – Medicaid



External Partnerships



Internal Partnerships

Behavioral Health Division: Facilitate equitable rates and integrated continuum of care, including:

- Culturally and Linguistically Specific Services (CLSS)
- CCBHC Demonstration Project and future expansion
- 988 Behavioral Health Crisis System
- Substance Use Prevention, Treatment
- Home and Community-Based Services

Public Health Division: Improve health outcomes for recipients of Medicaid through essential public health services, with a focus on:

- Chronic disease prevention, including tobacco cessation initiatives

Equity & Inclusion Division and External Relations Division: Reduce health disparities by:

- Providing culturally and linguistically responsive outreach, enrollment, and navigation for members

Key Program Updates

Healthier Oregon

- On July 1, 2023, Healthier Oregon expanded to people of all ages who meet income and other criteria.
- As of December 2024, there are close to 100,000 members.
- OHP-Certified Community Partners provide culturally specific outreach to applicants and members. Outreach examples include education, enrollment assistance and navigation support.
- OHA is currently attempting to understand utilization trends, barriers and opportunities for members.

ANA

KASIM

LAILA

RUIZ FAMILY

HAN FAMILY

BILAL

"It is helping me to continue living and with its help, I'm able to manage my disease." – Healthier Oregon member

YUNA

KIBO + ZURI

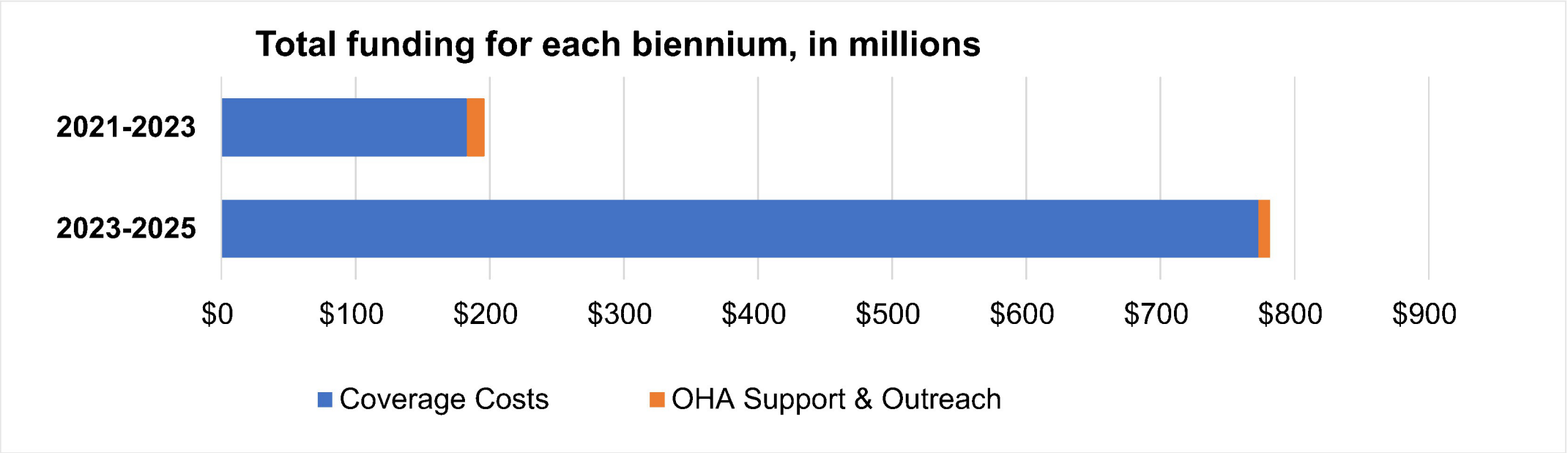
AALIYAH

GABRIEL

LINH

UMAR

Healthier Oregon

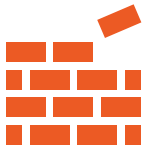


- Total Legislatively Adopted Budget General Fund investments for Healthier Oregon since launch.
- The Healthier Oregon budget adjusts as updates are made to the caseload forecast. Some health coverage costs are matched by federal funds, not cited in this chart.

OHP Bridge – Overview

- OHP Bridge is a new benefit for adults with incomes just above Medicaid limits. People who get OHP Bridge must:
  - Have income up to 200 percent of the federal poverty level,
  - Be 19 to 64 years old,
  - Not have access to other affordable health insurance, and
  - Have an eligible citizenship or immigration status to qualify.
- OHP Bridge covers:
  - Medical, dental, and behavioral health care, along with additional benefits like transportation to medical appointments and health-related services.
  - Does not include coverage for long-term services and supports or HRSN.
- OHP Bridge launched on July 1, 2024
- 2023-25 Legislatively Adopted Budget
  - Temporary Medicaid Expansion and Bridge Basic Medicaid
    - $125.653M General Fund; $318.661M Total Funds
  - Bridge Basic Health Program
    - $13.465M General Fund; $557.809 Total Funds

OHP Bridge – Key Recent Events

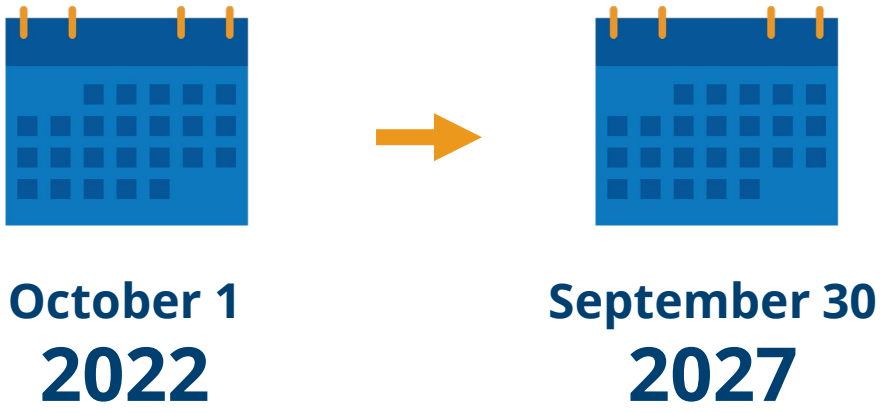
April 2023		Oregon's Temporary Medicaid Expansion (TME) launches and begins covering future OHP Bridge members
June 2023		Oregon submits its draft BHP blueprint to CMS with inaugural BHP Trust Fund Trustee selection
June 2024		CMS provides final approval of Oregon's BHP Blueprint and 1115 Amendment, and the first payment is made into the BHP Trust Fund
July 2024		OHP Bridge goes live, roughly 22,000 automatically moved from the TME onto Bridge
January 2025		As of 1/22/25 over 33,000 individuals are enrolled in OHP Bridge

OHP Bridge – 2025-27 Priorities

- Migration from the Marketplace to OHP Bridge will continue until 2027
- Planning for the potential loss of American Rescue Plan Act subsidies and the financial impact this will have on OHP Bridge-BHP members
- Implementation of several system changes to streamline enrollment, including implementation of CCO auto-assignment
- Update CCO rates and contracts for the new biennium
- Maintenance of the OHP Bridge Advisory Committee

1115 Waiver – Oregon's 1115 Medicaid Waivers

- Oregon has been using Medicaid waivers since 1994.
- Oregon's recent 1115 Medicaid Waiver was approved for October 1, 2022 through September 30, 2027.
- Ongoing collaboration with the federal government.



1115 Waiver – Key Aspects of Oregon's Waiver

Health-Related Social Needs (HRSN): The social and economic needs that impact an individual's ability to maintain their health and well-being. For example, affordable housing and utilities, access to diverse, healthy foods, and support accessing benefit programs.

HRSN services that will be / are being provided:

- Climate-related needs
- Housing support
- Nutrition support
- Outreach & engagement

1115 Waiver – Key Aspects, continued

Extended Oregon Health Plan (OHP) Eligibility and Benefits

1. Expanded Medicaid coverage (more people enrolled for longer):

- Continuous OHP eligibility and enrollment for children up to age six*†
- Two years of continuous enrollment for OHP members ages six and older*†
- Coverage for young adults with special health care needs up to age 26*

2. Expanded Medicaid benefits and services include:

- Health-related social needs (HRSN) supports including housing, nutrition, climate supports and outreach and engagement services*
- A limited set of services for people in a carceral setting 90-days prior to release
- Traditional Health Care Practices

* Indicates an approved change that is first-in-the-nation.

† These benefits are in effect and began in July 2023

1115 Waiver – Key Changes Status

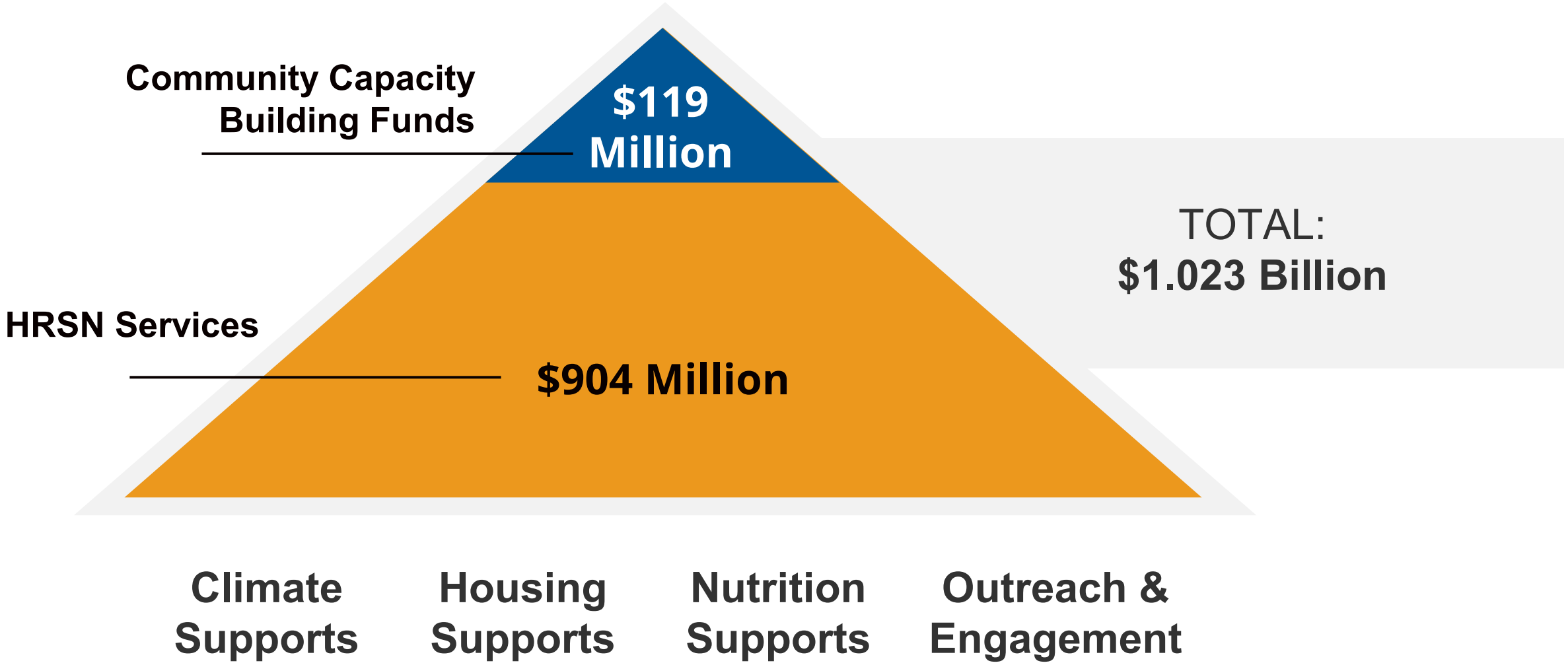
See below for the latest status updates on Oregon's 1115 Waiver key changes:

Program/Benefit	Status
Expanded Medicaid coverage (more people enrolled for longer)	
Continuous OHP eligibility and enrollment for children up to age six*†	On track
Two years of continuous enrollment for OHP members ages six and older*†	On track
Coverage for young adults with special health care needs up to age 26*	Newly launched
Expanded Medicaid benefits and services	
HRSN climate, outreach and engagement, and housing benefits*	On track
HRSN nutrition benefits*	Newly launched
A limited set of services for people in a carceral setting 90-days prior to release	In development
Traditional Health Care Practices	In development

* Indicates an approved change that is first-in-the-nation

† These benefits are in effect and began in July 2023

1115 Waiver – HRSN Federal Funding Components



Key Successes

OHP Bridge: Keeping People Insured

Following the end of the public health emergency in May 2023, Oregon successfully managed the process of returning to normal eligibility and enrollment operations for OHP members and ensured OHP beneficiaries maintained continuous coverage and were not inequitably disenrolled.

OHA established the OHP Bridge program to extend ongoing Medicaid eligibility to populations who were covered during the pandemic but at risk of losing eligibility post-pandemic

Measuring progress

- **Output:** More than four out of five Oregonians retained OHP or other Medicaid benefit post-pandemic; Oregon leads the nation in maintaining coverage.
- **Output:** Over 30,000 individuals utilized OHP Bridge, allowing continued coverage post-pandemic.
- **Outcome:** OHP lowers healthcare costs by emphasizing preventive care, reducing reliance on emergency services, and leveraging federal funding, which saves the state money while ensuring broad access to care.
- **Outcome:** By strengthening and expanding access to care, OHP contributes to a healthier Oregon population, reduces the spread of infectious diseases, and supports the well-being of underserved communities, reducing health disparities.

Strategic Plan Goal Area: Strengthening access to affordable care for all

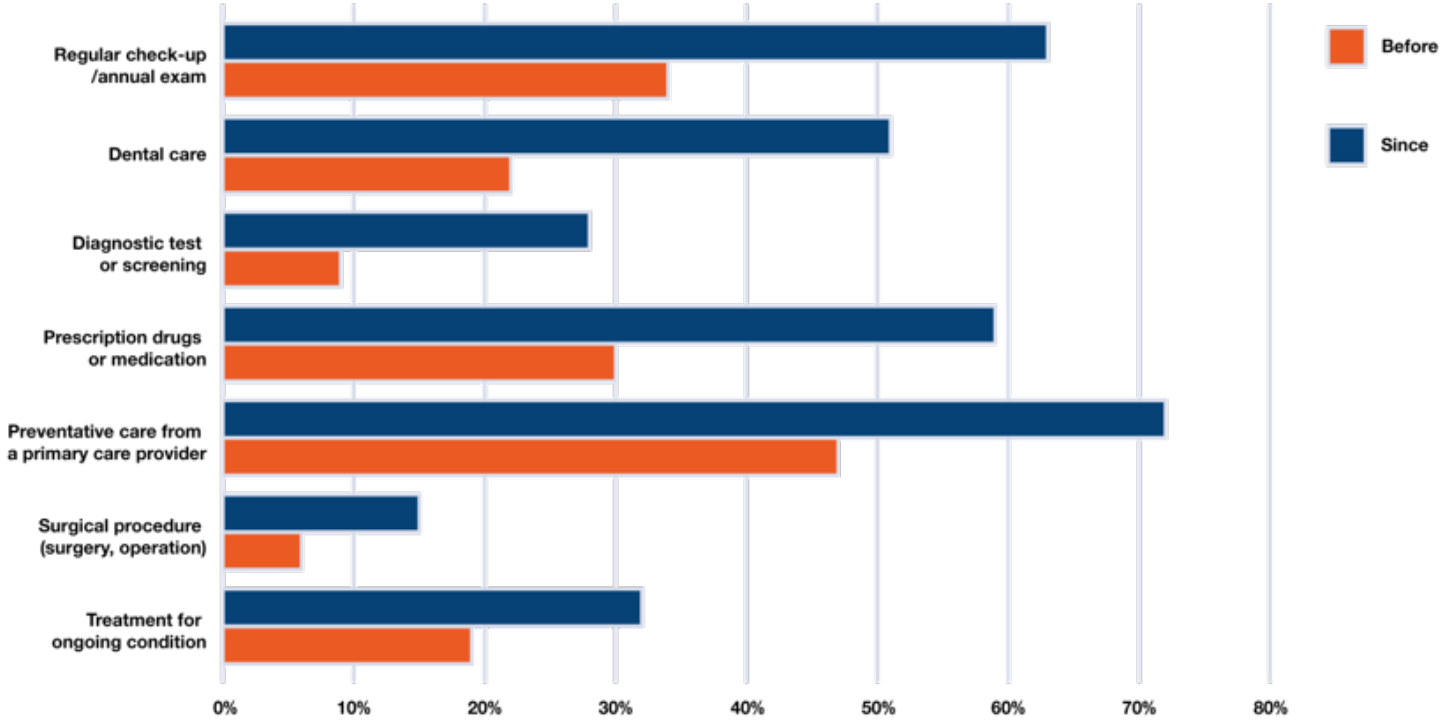
Healthier Oregon: Expanding Health Coverage

In July 2022, Oregon began offering health coverage to people who meet all other OHP criteria except immigration status.

Oregon was the first state in the country to offer this opportunity to all ages.

- **Output:** Close to 90,000 people, including more than 10,000 children, now have access to preventive care and other important health services.
- **Outcome:** Reduced disparities in healthcare access, increasing access to preventative services, oral health care, regular check-ups, diagnostic screening, prescription coverage and other services.

Reported Use of Health Care Services Before and Since Receiving OHP Benefits through Healthier Oregon



Strategic Plan Goal Area: Strengthening access to affordable care for all

1115 Waiver: Stability and Care Expansion

Beginning in July 2023, Oregon's **continuous eligibility policy** ensures:

- Continuous OHP eligibility for children up to age six.
- Two years of continuous OHP enrollment for members ages six and older.

Beginning in January 2025, OHP offers **expanded benefits to young adults** (ages 19-20, under 205% FPL) **with qualifying health conditions**. Expanded benefits include:

- Early and Periodic Screening, Diagnostic and Treatment
- Enhanced vision and dental benefits
- Health Related Social Needs services

Measuring progress

- **Output**: Reduces Medicaid enrollment churn, ensuring coverage despite income fluctuations or other changes.
- **Output**: Cuts down on frequent eligibility redeterminations, easing the burden on beneficiaries and the state.
- **Outcome:** Improved health outcomes for YSHCN through maintaining access to benefits that support their transition to adult coverage.
- **Outcome**: Oregon's two-year continuous eligibility rule helped prevent gaps in coverage and ensured stability for most adults and children aged 6 and older.
- **Outcome**: Provides comprehensive care to YSHCN, with better coordination between medical providers, reducing fragmented care and improving overall health management.

Strategic Plan Goal Area: Fostering healthy families and environments

1115 Waiver: Improving Health Outcomes

Oregon's **Health-Related Social Needs (HRSN)** initiative focuses on addressing social determinants of health to improve health outcomes and individuals' well-being.

- Oregon launched the **climate benefit** March 1, 2024, and the **housing benefit** November 1, 2024. The **nutrition benefit** launched January 1, 2025.
- **Eligibility for HRSN benefits:** OHP members must meet clinical and social risk factor criteria for the service to be clinically appropriate, as well as be in one of the qualifying populations and meet service-specific criteria.

Measuring progress

- **Output:** 3,651 climate devices delivered to 2,018 OHP members between March and July 2024. Of the total distributed, 46% were air conditioners and 25% were air filtration devices.
- **Outcome:** Reduction in costly emergency care and hospital stays for HRSN eligible populations
- **Outcome:** Improved quality of life and health through access to basic services

Strategic Plan Goal Area: Fostering healthy families and environments

Enhancing Student Health, Supporting Education

School Based Health Services

- Reimburses eligible health services
- Recently expanded to include ALL Medicaid covered services medically appropriate and necessary.
- Will include care from certain BH providers starting Summer 2025.

School Medicaid Administrative Claiming

- OHA reimburses schools for Medicaid enrollment, coordination of access, and administrative activities.
- Includes referrals to medical or dental services, assistance with enrollment in the Oregon Health Plan, and care coordination.

Measuring progress

- **Output:** Total Local Education Agencies (LEAs) billing OHP has gone up from 54 to 78 by end of 2024. This includes the second largest school district in Oregon which was not participating before.
- **Outcome:** Improved access to health services for all Medicaid and CHIP enrolled students in school.
- **Outcome:** Enhanced support for students' health needs, contributing to better academic performance and school attendance.
- **Outcome:** Reduced financial burden on school districts by recovering costs for health services.

Strategic Plan Goal Area: Fostering healthy families and environments

Budget Overview

Budget Drivers

Tobacco Tax Revenue:

- December forecast shows intake of revenue less than expected.
- If legislation is passed to close the loophole and include synthetic tobacco products, an increase in revenue is likely. However, this will not fully offset the decline in tobacco revenues.

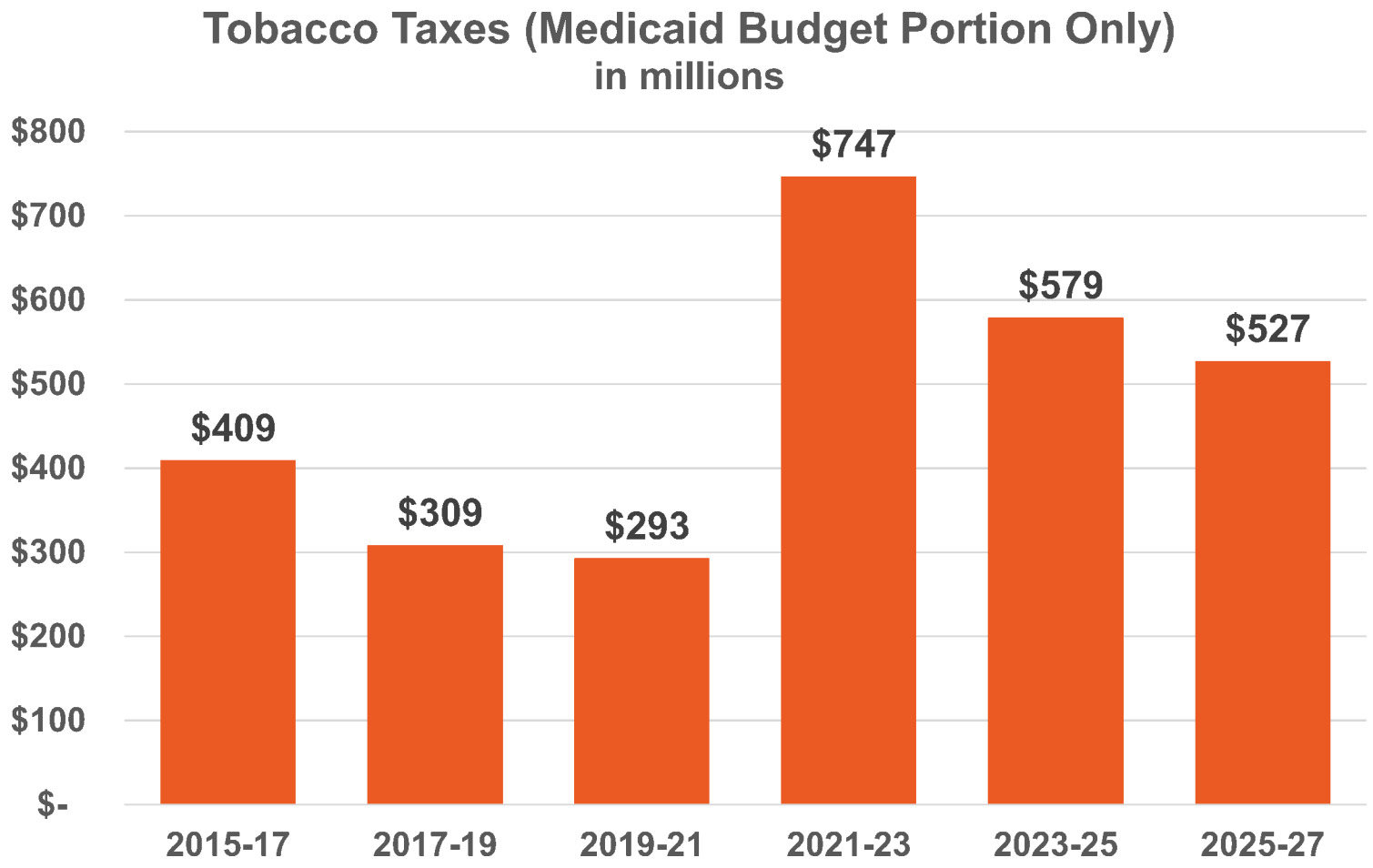
Hospital and Insurance Renewals:

- Provides essential funding, when paired with other investments, to support the Medicaid program.

Federal Requirements:

- Carceral Expansion
- Federal rules:
  - Medicaid Access
  - Managed Care Access
  - Interoperability

Budget Drivers – Tobacco Taxes



Major Medicaid Program Changes

Program changes occurring in the last three biennia

Additions:

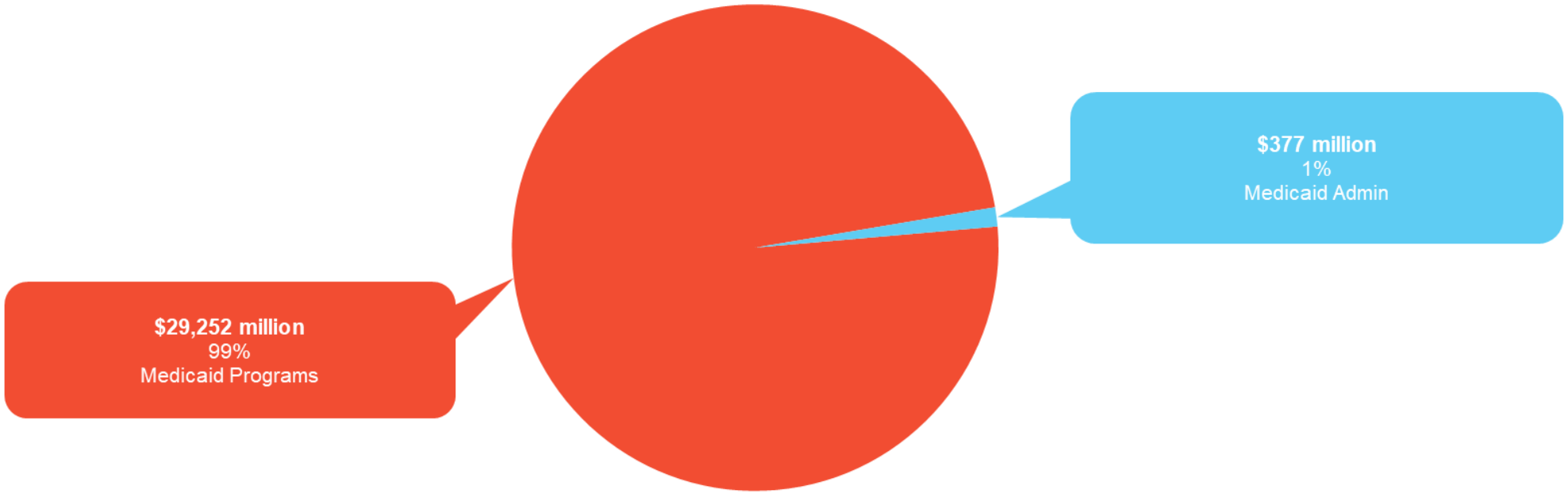
- Young Adults with Special Health Care Needs program
- Expanded health care access through the full implementation of Healthier Oregon
- OHP Bridge Program
- Statewide expansion of Certified Community Behavioral Health Clinics (CCBHC)

Reductions:

- Public Health Emergency (PHE) reduced Federal Medical Assistance Percentage (FMAP) back to standard rates, reduced administrative cost from supporting transition at end of PHE.
- Hospital Discharge Taskforce one-time funding.
- Home and Community-Based Services (HCBS): Federal American Rescue Plan Act (ARPA) funds end in March 2025.

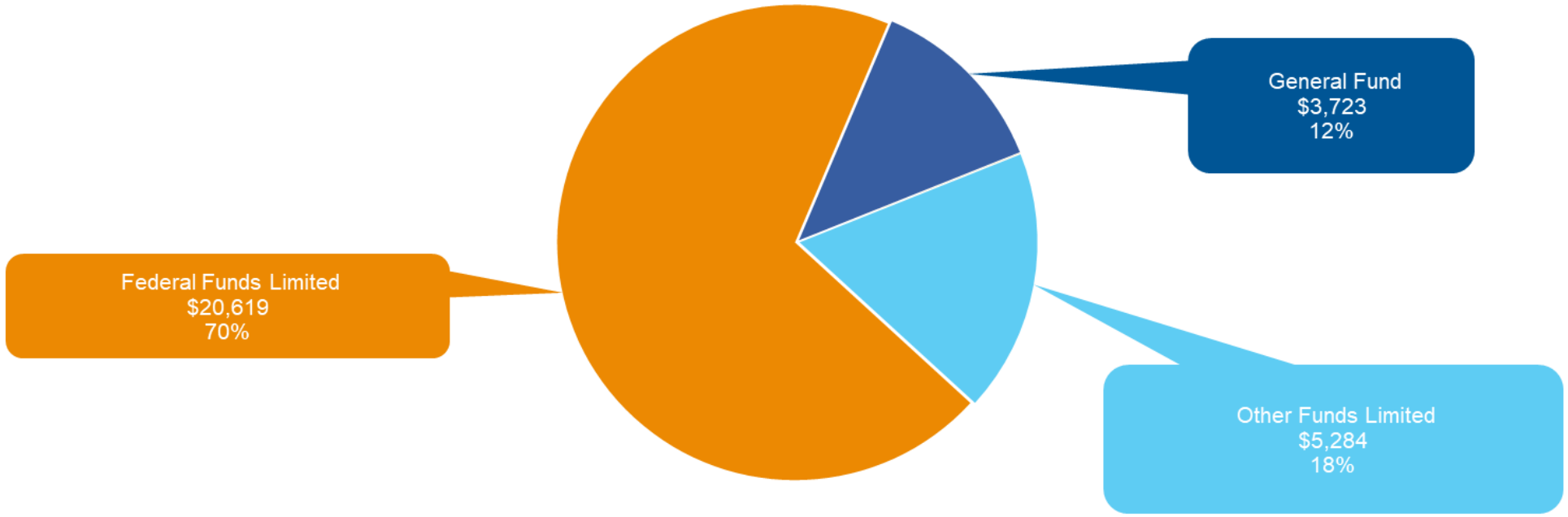
2025-27 Governor's Budget, by Program Area

Medicaid Division
$29,629 million Total Funds

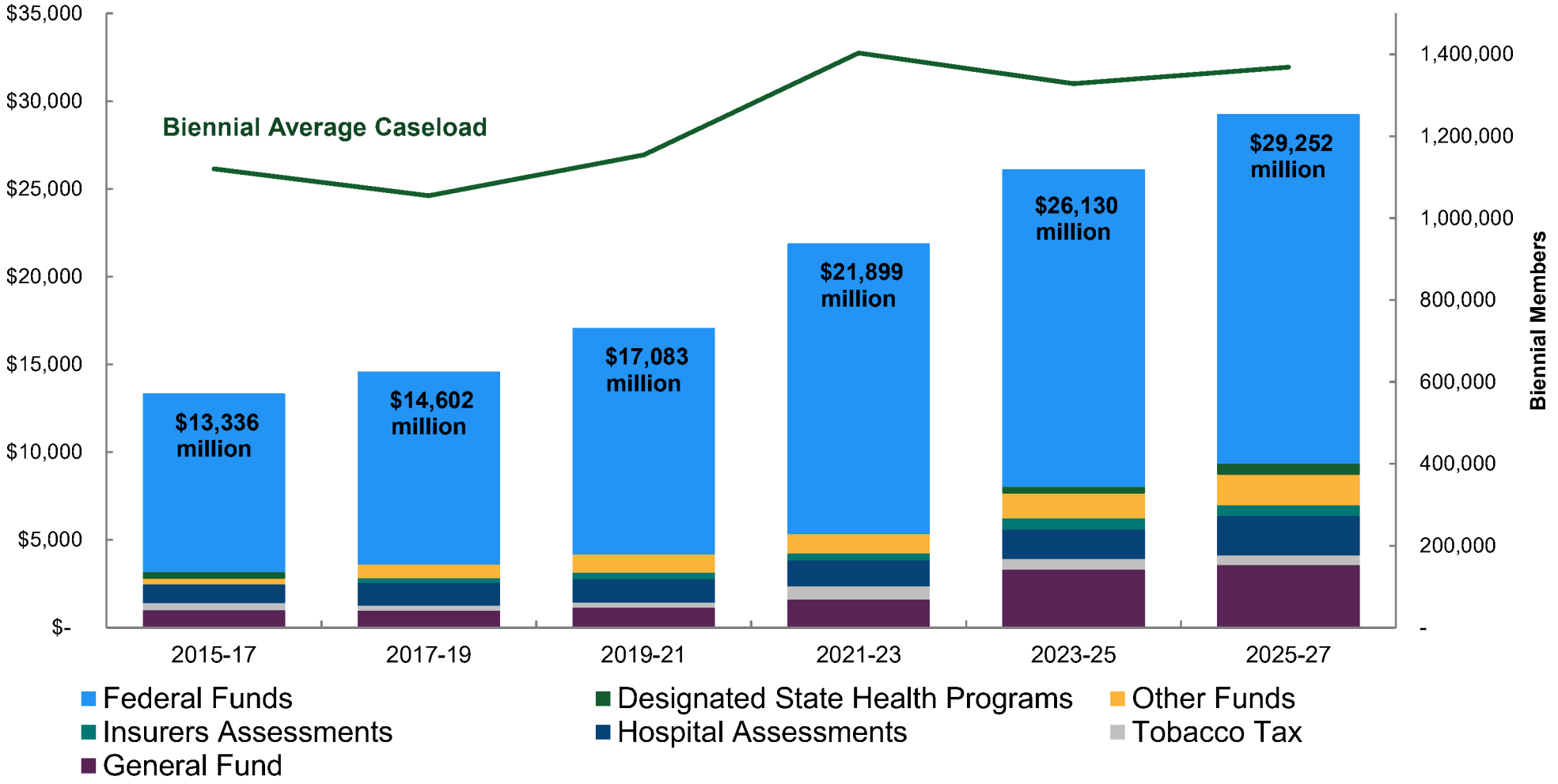


2025-27 Governor's Budget, by Fund Type

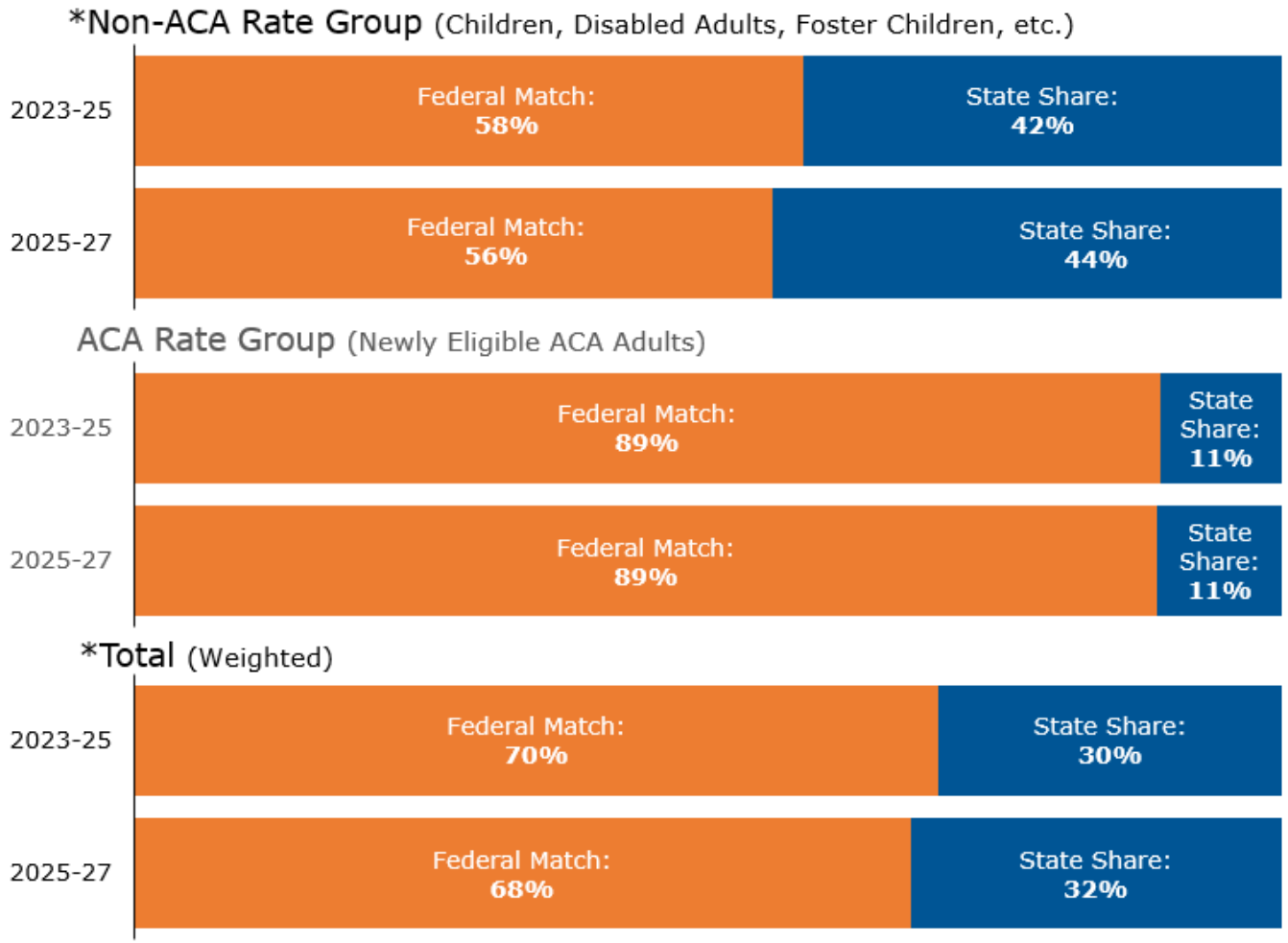
Medicaid Division by Fund Type
$29,629 million Total Funds



Medicaid Historical Funding, by Source



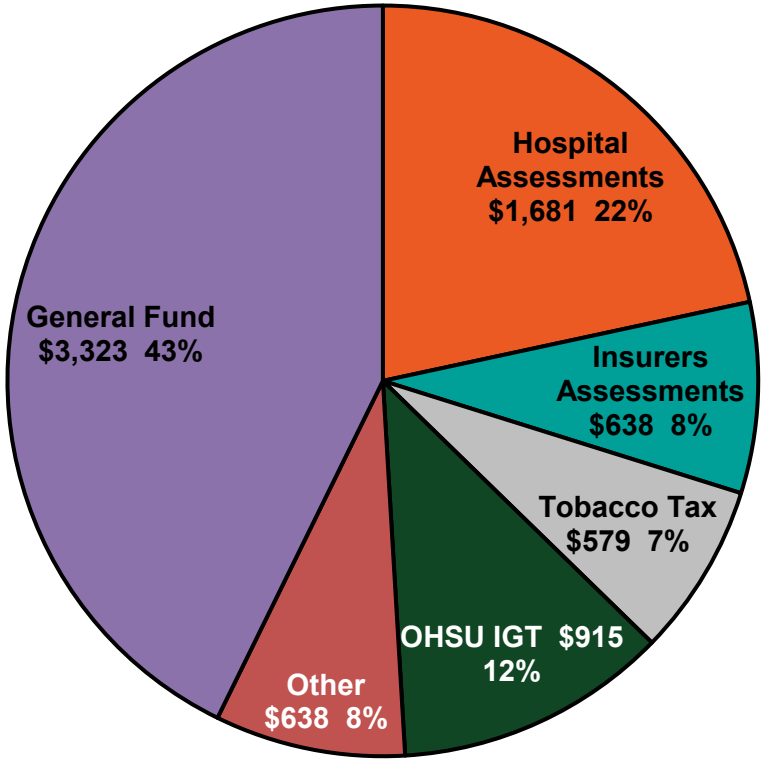
Federal Medical Assistance Percentage (FMAP)



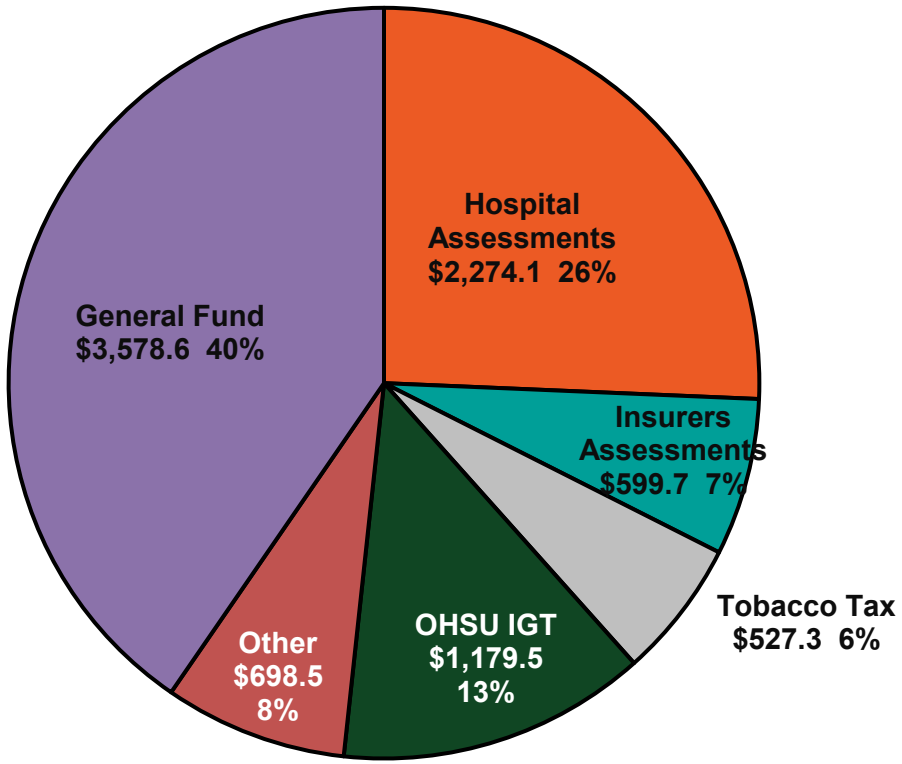
*COVID-19 Enhanced Funding Jul - Dec 2023 , FF includes

Medicaid State Funds, by Source

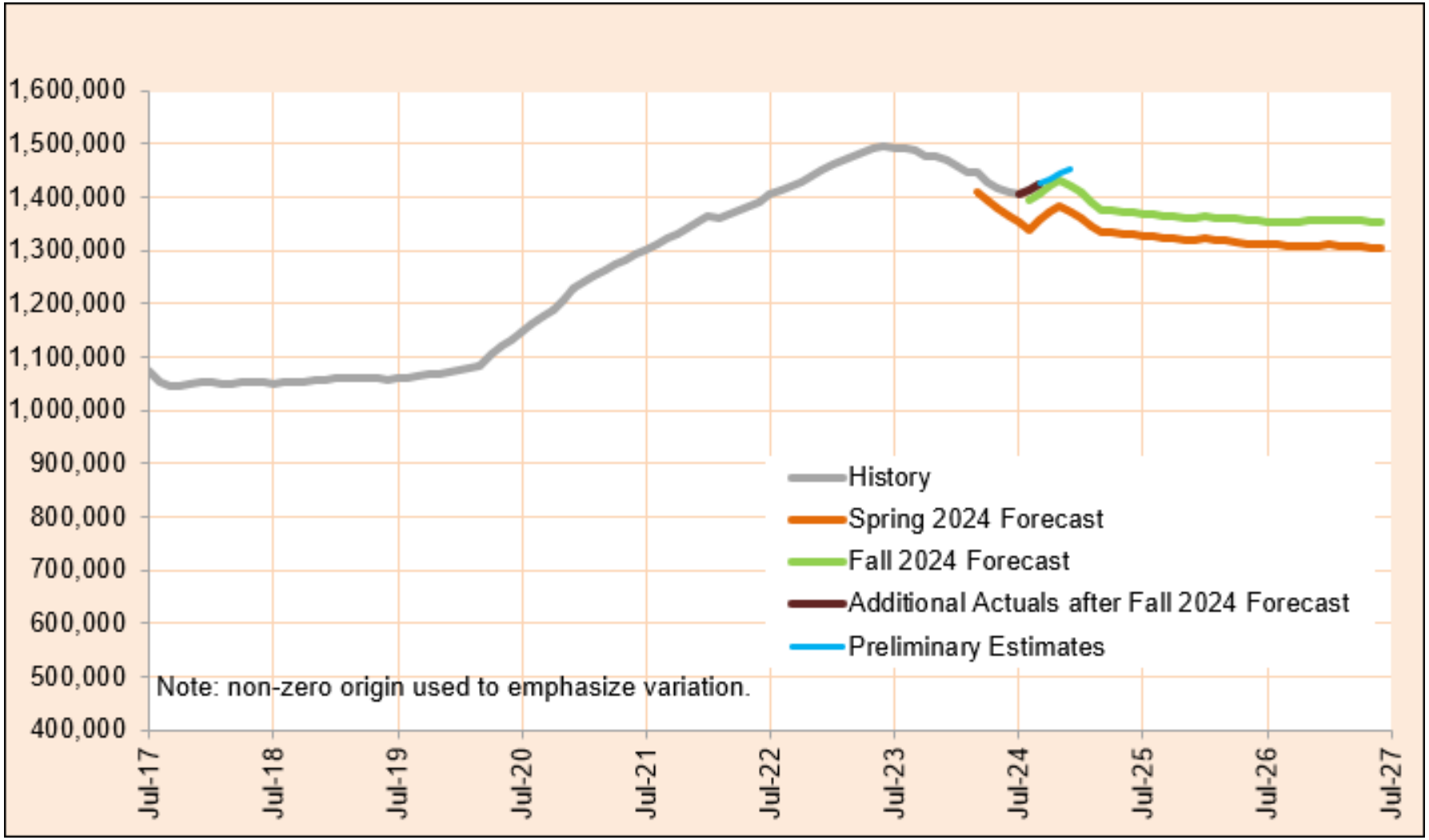
2023-25



2025-27 Governor's Budget



Medicaid Caseload



2025-27 Governor's Budget Medicaid Investments

- Behavioral Rehabilitative Services Compliance: $10.4 million GF, $20.3 million TF
- Maximize DSH3 Program: $25 million GF, $52 million TF
- Enhanced GME: $4 million GF, $9 million TF
- Enhanced Hospital Maternity Rates: $25 million GF, $125 million TF
- OPAR Medicaid Audit Response: $266,000 GF, $532,000 TF
- Staff to Administer Expanded DRG Assessment: $325,000 GF, $650,000 TF
- Essential Healthcare Worker Trust Investment: $5 million GF, $12.5 million TF

2025-27 Focus Areas

Medicaid and Health Care Funding & Coverage Expansion

- Continue to build 1115 Medicaid waiver benefits, including HRSN nutrition and providing medical benefits for Incarcerated Individuals and ensure a safer and healthier transition back to the community.
- Transition people and families from Healthier Oregon to OHP Bridge to secure future savings of up to $160 million in general funds, while continuing outreach and engagement for the Healthier Oregon Program.
- Renew the hospital and insurers' assessments, maintaining a stable base of funding for Oregon Medicaid.

Behavioral Health and Integration

- Sustain and expand Medicaid Certified Community Behavioral Health Clinics (CCBHC), which integrate behavioral with physical health care.
- Expand access to behavioral health treatment for children and adults on Medicaid across the continuum of care and including Home and Community-Based Services (HCBS).

Health System Infrastructure and Access Improvement

- CCO Contract Procurement Project.
- Expanding interpreter availability to increase language access services through the Healthcare interpreter program.
- Further augment and build out rates, quality assurance, engagement, care experience, and compliance mechanisms in alignment with federal government access rules.

Risks

- Medicaid Caseload
- Federal Changes
- 1115 Waiver Renewal

Priority Investments

POP #408 – Medical Benefits for Incarcerated Individuals

Challenge:

- Incarcerated Oregonians face severe healthcare access issues resulting in higher mortality and recidivism rates.
- Upcoming federal mandates require pre-release Medicaid enrollment in Oregon.

Proposal:

- Fund services for treatment, case management and housing support for individuals in carceral settings preparing for reentry into the community.
- Develop data systems and hire staff to improve service coordination and management of services.

Desired outcomes:

- Reduce recidivism and overdose for individuals transitioning from incarceration, particularly those affected by substance use disorders, chronic illness, and racial profiling.
- Improve access to continuous healthcare services and social support, fostering stable transitions to community life.

Legislative Concept #450

	General Fund	Total Funds	Positions	FTE
POP #408	$14,290,185	$64,015,530	7	5.75

POP #417 – Healthier Oregon: Reinvesting OHP Bridge Savings

Challenge:

- The transition of 10,000 Healthier Oregon enrollees to OHP Bridge could secure $130-$160 million in federal funding, optimizing resources and expanding coverage while reducing state costs.

Proposal:

- Transitioning Healthier Oregon members to OHP Bridge offers the potential for low upfront costs becoming significant future savings.
- Fund IT system updates to facilitate the transition.

Desired outcomes:

- Securing additional federal funds, allows for strategic reinvestment in health care services.
- Maintain a sustainable state-based program that has helped over 80,000 Oregonians.

	General Fund	Total Funds	Positions	FTE
POP #417	($18,131,796)	$24,731,607	0	0

POP #418 – Child Medicaid Behavioral Health: Home and Community-Care Based Services

Challenge:

- Children and youth with behavioral health needs do not have access to Home and Community-Based Services (HCBS).
- Community First Choice Option (K-plan) needs to be brought into alignment with Medicaid State Plan.

Proposal:

- Expand HCBS services for individuals under 21, including development of case management and administration of procurement process to identify an assessment tool for Level of Care assessment.

Desired outcomes:

- Streamlines eligibility processes
- Enhances service availability
- Reduces administrative barriers

	General Fund	Total Funds	Positions	FTE
POP #418	395,977	919,708	3	2.25

POP #556 – Certified Community Behavioral Health Clinic (CCBHC) Expansion

Challenge:

- Need to implement 2024 HB 4002, which requires OHA to seek federal approval through a State Plan Amendment (SPA) prior to expiration of the CCBHC demonstration. The SPA will require the CCBHC program to be statewide.

Proposal:

- Fund services at future CCBHCs for the 2025-27 biennium and would be required ongoing.
- Fund two staff positions to provide crucial technical assistance for clinics to achieve CCBC status.

Desired outcomes:

- Integrate mental health, substance use disorder treatment, and primary care services.
- Reduce reliance on emergency services and hospitalizations.
- Expand geographic coverage of CCBHCs across Oregon, reducing healthcare disparities.

	General Fund	Total Funds	Positions	FTE
POP #556	14,096,922	47,805,217	2	1.5

POP #421 – Hospital Assessment Renewal

Challenge:

- The hospital assessment program administered by OHA is set to expire October 1, 2025.
- When matched with federal dollars, this program provides approximately 1/3 of total OHP funds.

Proposal:

- Extend the assessment to continue funding of OHP, offsetting General Fund need and supporting the disproportionate share hospital program.
- Aligns the proposed six-year extension of the expiration dates for the insurers' assessment and the hospital assessment so that both will have a new expiration date of December 31, 2032.

Desired outcomes:

- Sustaining the quality and access of OHP services for all eligible Oregonians.

	General Fund	Total Funds	Positions	FTE
POP #421	($1,091,000,000)	$1,985,000,000	0	0.00

POP #422 – Insurers' Assessment Renewal

Challenge:

- The insurers' assessment is set to expire on December 31, 2026.
- Without this assessment, OHP and the commercial insurance pool risk losing funding.

Proposal:

- Extend the assessment to continue funding OHP, offsetting General Fund need and continuing the commercial reinsurance pool.
- Aligns the proposed six-year extension of the expiration dates for the insurers' assessment and the hospital assessment so that both will have a new expiration date of December 31, 2032.

Desired outcomes:

- Sustain the quality and access of OHP services for all eligible Oregonians.

	General Fund	Total Funds	Positions	FTE
POP #422	($133,891,664)	$123,965,962	0	0

Thank you

You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact Matthew Green at matthew.green@oha.oregon.gov or 503-983-8257. We accept all relay calls.

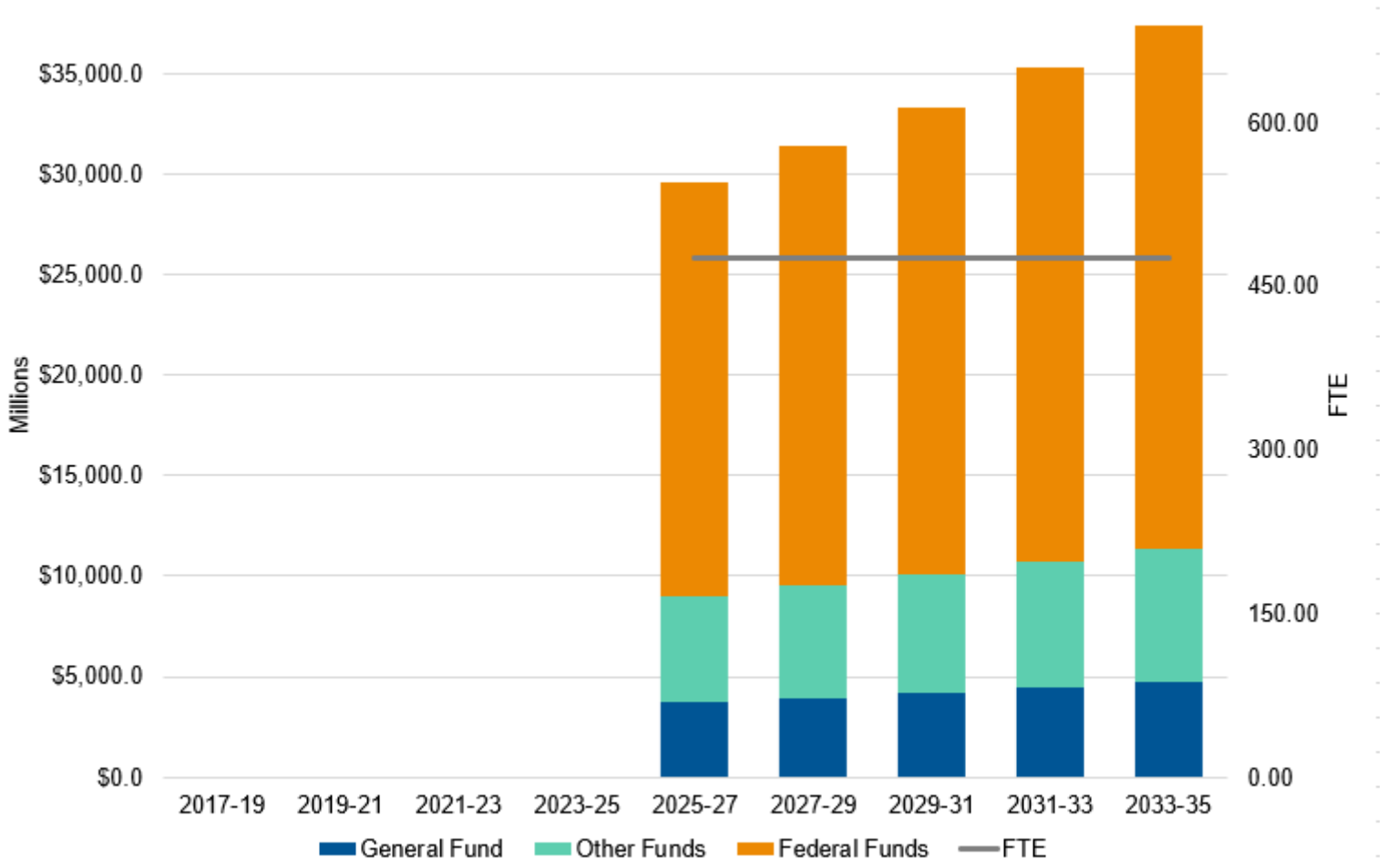
Medicaid Division

- Emma Sandoe, Director
- Vivian Levy, Deputy Director
- Shawna McDermott, Deputy Director

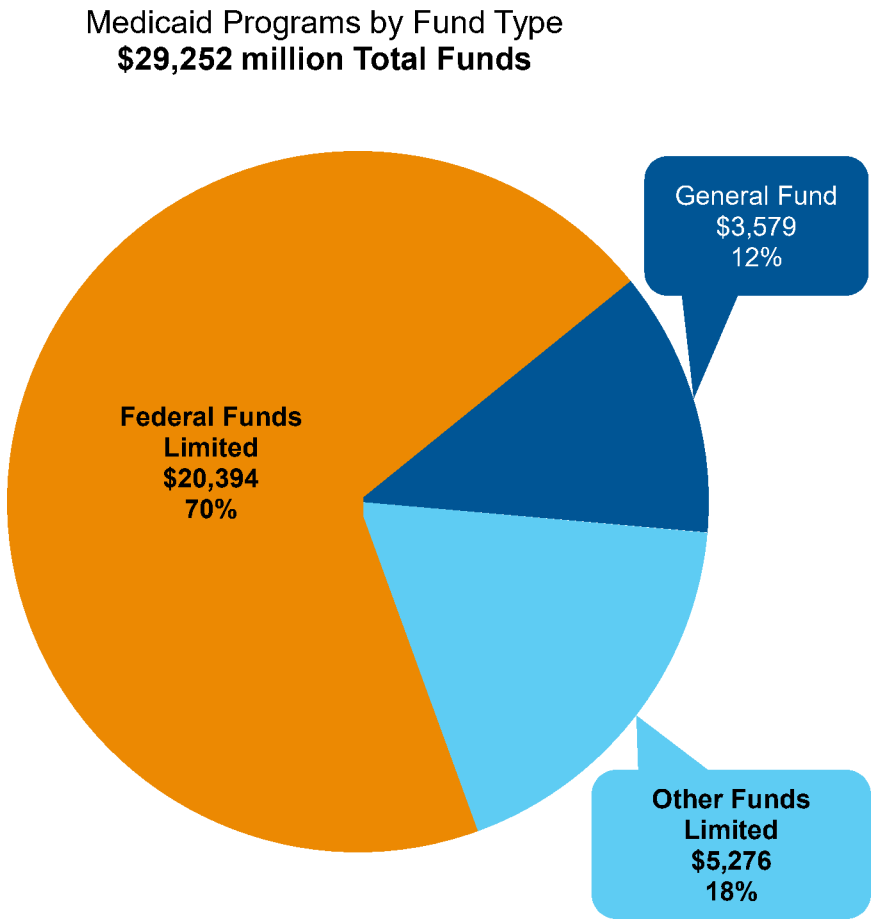
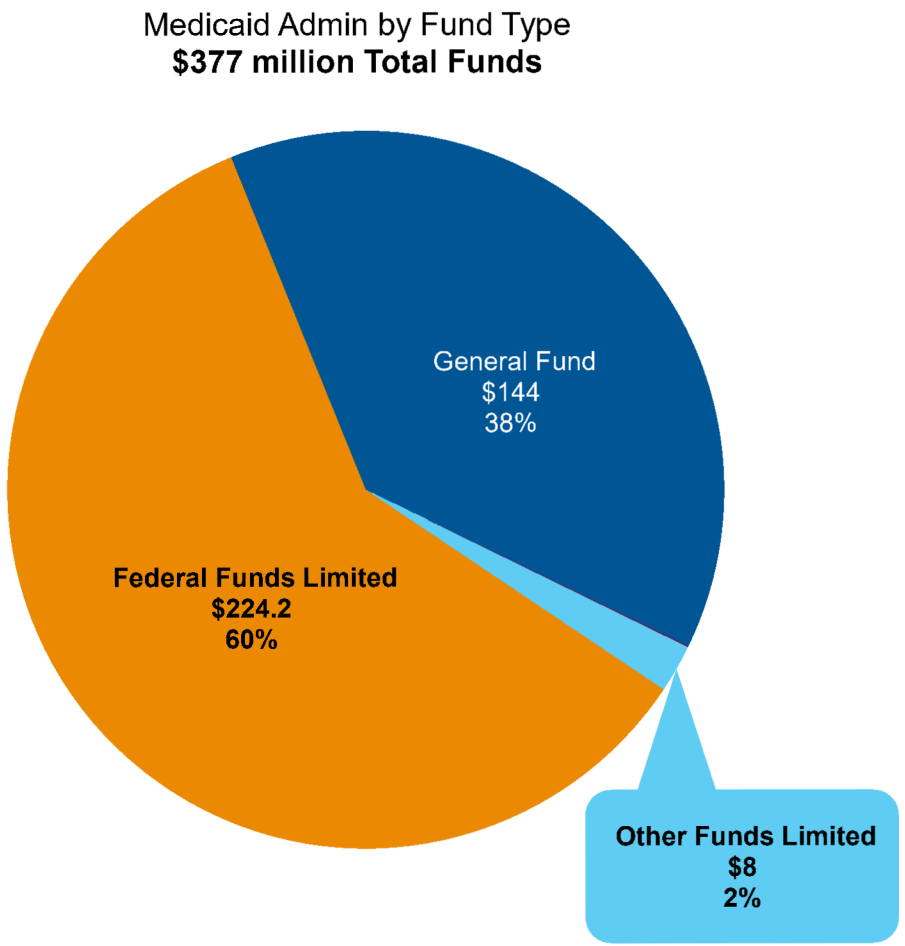
OREGON HEALTH AUTHORITY

Appendix

Medicaid Funding



Medicaid Program Funding, by Fund Type



Medicaid Admin Funding, by Fund Type