

# 2021 Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Oregon is doing well and areas where it can improve. It reflects policies implemented as of Dec. 31, 2020.

STATE:

**OREGON**

RANK:

**4**

out of 47 states + DC

**TOTAL SCORE: 55.6 OUT OF 80 POSSIBLE POINTS**

Oregon has many policies to address affordability, but still has much work to do to ensure wise health spending and affordability for its residents. According to the Healthcare Value Hub's CHESS survey, 61% of OR adults experienced healthcare affordability burdens as of 2021.\* While OR's uninsurance rate (7.2%) may be a factor, healthcare is increasingly unaffordable largely due to high costs that affect everyone. According to the PCE, healthcare spending per person in OR grew 33% between 2013 and 2019, totaling \$7,596 in 2019.\*

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
<b>CURB EXCESS PRICES IN THE SYSTEM</b> 	<b>7.0 OUT OF 10 POINTS</b> OR has made some progress in this area, with an active APCD and a healthcare spending oversight entity. However, their policies can still be expanded.	<b>1.9 OUT OF 10 POINTS</b> High private prices are one factor driving costs. OR is among the most expensive states, with inpatient private payer prices at 220% of Medicare prices. Ranked 42 out of 48 states, plus DC.	Despite OR's strong policies, year-over-year increases in healthcare prices overwhelmingly still drive state healthcare spending. OR should consider exploring new policies that address high private payer prices, pricing outliers and unwarranted price variation beyond the policies they currently have.
<b>REDUCE LOW-VALUE CARE</b> 	<b>9.4 OUT OF 10 POINTS</b> OR requires some forms of patient safety reporting. 77% of hospitals have adopted antibiotic stewardship. OR has taken important steps to measure the extent of low-value care being provided.	<b>8.0 OUT OF 10 POINTS</b> OR has less low-value care than the national average. Ranked 5 out of 50 states, plus DC.	OR is the rare state that has taken the key initial steps to identify low-value care. The next step is enacting a multi-stakeholder campaign to reduce the use of the services identified.
<b>EXTEND COVERAGE TO ALL RESIDENTS</b> 	<b>8.4 OUT OF 10 POINTS</b> Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options. OR uses reinsurance to reduce costs in the non-group market. Private payer rates are subject to affordability review.	<b>7.3 OUT OF 10 POINTS</b> 7% of OR residents are uninsured. Ranked 21 out of 50 states, plus DC.	OR should consider coverage options for residents earning too much to qualify for Medicaid, like premium subsidies, a Basic Health Plan, Medicaid buy-in and a public option. OR should ensure their upcoming Cover All People program offers coverage options for undocumented adults of all ages.
<b>MAKE OUT-OF-POCKET COSTS AFFORDABLE</b> 	<b>8.6 OUT OF 10 POINTS</b> OR has limited protections against STLD health plans; comprehensive SMB protections; caps cost-sharing for some high-value services; and has patient-centered, standard plan designs on their exchange.	<b>5.0 OUT OF 10 POINTS</b> 13% of OR adults could not get needed medical care due to cost. The share of people with other affordability burdens is far higher.	OR should consider a suite of measures to ease consumer burdens, such as stronger protections against short-term, limited-duration health plans.

APCD = All-Payer Claims Database CHESS = Consumer Healthcare Experience State Survey CMS = Centers for Medicare and Medicaid Services EHR = Electronic Health Records FPL = Federal Poverty Level PCE = Personal Consumption Expenditure (Healthcare PCE measures spending growth among households as well as nonprofit, commercial and government hospitals/nursing homes) SHADAC = State Health Access Data Assistance Center SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

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## OREGON NOTES

### Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states. For a complete discussion of methodology, please see [healthcarevaluehub.org/affordability-scorecard/methodology](https://healthcarevaluehub.org/affordability-scorecard/methodology).



### Curb Excess Prices in the System:

In order to receive credit for price transparency tools, a state's tool had to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Oregon's tool met this criteria. OR has a healthcare spending oversight entity that targets all spending and an APCD. OR passed legislation to establish a healthcare spending benchmark in 2019. OR's first report on total healthcare spending and analysis of price increases is expected to be released in Fall 2021.



### Reduce Low-Value Care:

According to the Johns Hopkins Overuse Index created using Medicare data, OR's overuse of low-value care is -1.3 standard deviations below the national average, which is likely a good thing assuming they are also delivering appropriate care. The Oregon Health Leadership Council and Oregon Health Authority led an effort to evaluate spending on 47 low-value care services from 2016-2018. The "Better Health for Oregonians: Opportunities to Reduce Low-Value Care" report was released in July 2020. Oregon mandates both patient safety reporting and validation for CLABSI/CAUTI. Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients—states were scored on what share of their hospitals follow the CDC's stewardship program.



### Extend Coverage to All Residents:

OR operates a state-based reinsurance program through a 1332 State Innovation Waiver. A bill passed in 2019 established a task force to recommend the design of a public option plan. OR offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait; uses state-only funds to cover income-eligible children regardless of immigration status; and provides some services not covered through emergency Medicaid for certain pregnant or postpartum women who would otherwise be ineligible due to immigration status. OR does not offer coverage options for legally residing immigrant pregnant people or undocumented adults. Looking ahead: In 2021, OR passed HB 3352 (Cover All People) to expand Oregon Health Plan eligibility to adults who would be eligible for Medicaid if not for their immigration status, including DACA recipients. OR's DOI has the authority to request data on insurers' cost containment and quality improvement efforts through rate filings. Insurers offering individual and small-group plans must justify proposed premium rates in writing, showing that they are not excessive and explaining how the insurer is working to reduce costs.



### Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. According to SHADAC, the average family deductible among employer insurance plans in OR rose 40% between 2013 and 2019, totaling \$3,634 in 2019. States should consider exploring new policies to reduce financial barriers to care for people with high-deductible health plans, although there are limits to how much states can influence employer insurance and Medicare. In response to rising insurance costs, some people turn to STLD health plans, which offer lower monthly premiums compared to ACA-compliant plans. However, these policies offer less coverage, can discriminate against people with pre-existing conditions and pose significant financial risks for consumers. States received credit depending on how much they limit or protect against these plans. OR has comprehensive protections against SMBs. 'Comprehensive' SMB protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills. States can still implement protections in this area—63% of ground ambulance rides in OR charged to commercial insurance plans had the potential for surprise medical billing.\* OR standardized benefit plans include the following pre-deductible services with low to moderate copay amounts, including: non-preventive primary care; specialty care; laboratory and diagnostic testing; mental health and substance use disorder treatment; urgent care; and generic prescription drugs. OR is the only state with a standard benefit design that features higher cost-sharing for services considered overused.

\* Informational data, not used in state score or ranking. Scorecard Updated: Oct. 27, 2021.