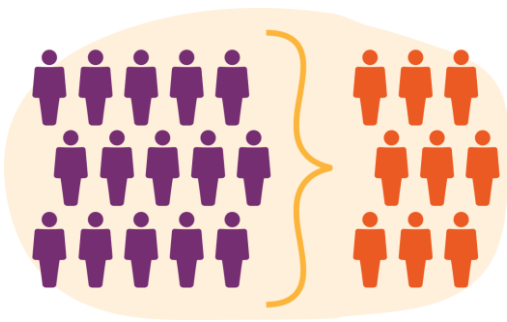


Impact of Federal Requirements & Funding Cuts to Oregon Health Plan (OHP/Medicaid)

OHA is assessing the potential impact of the federal budget bill passed by the U.S. House of Representatives on May 22, 2025. Initial analysis about how this could affect people in Oregon is included below.



Fewer People Insured

Today: Oregon currently covers 1.4 million people through Oregon Health Plan (OHP/Medicaid). This includes more than half of all children in the state and seniors who rely on Medicaid-funded nursing home supports.

Under the Federal Proposal: New federal mandates would create complex eligibility rules, require time-consuming paperwork for OHP members and place costly administrative burdens on the state. An estimated 200,000 OHP members could lose health care under these new rules and become uninsured. Oregon taxpayers would be required to pay hundreds of millions of dollars to increase administrative positions and update technology systems.



Work Requirements

Today: A majority of OHP members who are able, already work.

Under the Federal Proposal: Up to 462,000 OHP members could be required to fill out paperwork every six months and prove they're working. Due to red tape, an estimated 200,000 OHP members could become uninsured.

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Impact to Health Care Statewide

Today: Oregon has kept 97% people insured, the highest insured rate in state history. When more people are insured, more providers, hospitals and health clinics receive payment and are reimbursed for the care they provide. Federal funding reimburses hospitals for people in Oregon on Medicaid and more than 50% of patients served by Federally Qualified Health Centers are on Medicaid.

Under the Federal Proposal: The proposed congressional budget will force coverage, benefit, and provider rate reductions. With fewer people insured in the state and fewer payments going to support critical services, everyone in Oregon could see an impact to their health care, including reduced access to care, longer wait times and the closure of hospitals and clinics.



Impact to Rural Health Care

Today: Due to a large number of OHP members in rural areas on OHP, rural hospitals and providers rely heavily on Medicaid reimbursements.

Under the Federal Proposal: The federal proposal would cause many rural Oregonians to lose health coverage. This would impact hospitals and clinics that rely on Medicaid reimbursement to operate. The proposal would end up making health care more expensive for taxpayers and more difficult to access for all Oregonians.

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Increased Costs for Oregonians

Today: Oregon has been able to consistently provide access to affordable health care to more than one million Oregonians. Coordinated Care Organizations (CCOs) that deliver care to most OHP members have saved the state \$6 billion through cost-saving measures.

Under the Federal Proposal: People with OHP coverage have annual earnings of \$20,000 or less or household earnings of \$43,000 for a family of four. The federal proposal would impose copays for medical visits; if OHP members are unable to pay, they could be denied care.



Increased Eligibility Checks

Today: In Oregon, we've made it a priority to keep people covered. Children who qualify for OHP are covered from birth to age six, which means they have consistent access to health, dental, and behavioral health care in key developmental years. Adults are covered for two years, which makes it possible to keep the same providers, to better manage chronic health conditions and seek treatment for health issues before they become more serious.

Under the Federal Proposal: The federal proposal would require many people to prove they're eligible for OHP every six months, creating paperwork and red tape for families and administrative work for the state. This could result in 560,000 people in Oregon being subject to more frequent eligibility checks and put people at risk of losing coverage, despite being eligible.

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Health Freedoms: Reproductive Care

Today: Planned Parenthood provides critical access to reproductive health services such as pregnancy and sexually transmitted disease testing, birth control access, vasectomies, miscarriage services and abortion through clinics statewide. Oregon law also guarantees the right to abortion without any restrictions, including state or federal interference.

Under the Federal Proposal: The legislation would ban Medicaid funds from Planned Parenthood clinics, which could result in the shuttering of health clinics across the state. Tens of thousands of Oregonians would lose access to preventative care for pregnancies, abortion care, and life saving cancer prevention services. This is especially dangerous in rural communities where provider shortages already exist.



Health Freedoms: Gender Affirming Care

Today: Oregon law requires OHP and private health insurance plans to cover medically necessary gender affirming care. Patients work in partnership with their health care providers to determine their care.

Under the Federal Proposal: The legislation would prohibit Medicaid funding from covering medically necessary gender affirming care for people of all ages. It would also drop requirements that private health insurance plans cover life saving treatment.