



Executive Order and/or Statute

Oregon passed [Senate Bill 889](#) in the 2019 legislative session with broad bipartisan support, creating the Health Care Cost Growth Target Program. The program is now codified in Oregon Revised Statute 442.386. The OHA has authority to convene an Implementation Committee to develop an implementation plan, establish a health care cost growth benchmark, establish methodologies for calculating health care cost growth, require data submissions, publish reports on health care cost growth and spending trends, and hold public hearings on cost growth. House Bill 2081 established enforcement mechanisms for those entities who exceed the cost growth target including requiring performance improvement plans and penalties. The Implementation Committee recommended that an ongoing governance committee oversee the the program, and an Advisory Committee was appointed in May 2022.

Website



[Sustainable Health Care Cost Growth Target](#)

Implementation status

Target Set	Target Methodology	Policy or Legislative Activity	Benchmark/Target Analysis	Cost Driver Analysis
Yes, 3.4% for 2021–2025 and then 3.0% for 2026–2030	Non-formulaic consideration of: historical GSP; historical median wage; and CMS waiver & legislative growth caps applied to the state’s Medicaid and publicly purchased programs	Advisory Committee on cost analyses and cost mitigation strategies launched in 2022. The Oregon Value-based Payer (VBP) Compact is voluntary commitment to participate in and spread VBP. House Bill 2081, signed into law by in May 2021, requires a performance improvement plan for entities that exceed the cost growth benchmark without justification, and allows the state to impose penalties.	Completed data collection (2018-2020) and validation	Publishing baseline cost trend analysis (2013–2019)

"The concept of targets isn't going to solve all things health care but it's a pillar of our state health care plans in terms of where to expand coverage, contain costs, and drive value. This program will provide a lot of the data infrastructure to have an informed process about how to move forward on our goal of high-quality, affordable health care."

Jeremy Vandehey

Key Staff

Jeremy Vandehey, Director, Health Policy and Analytics, Oregon Health Authority, Jeremy.vandehey@dhsosha.state.or.us

Sarah Bartelmann, Director, Health Care Cost Growth Target Program Manager, Oregon Health Authority, sarah.e.bartelmann@dhsosha.state.or.us