



**Theodore R. Kulongoski**  
**Governor**

February 8, 2006

Eric W. Walsh, M.D., Chair  
Oregon Health & Science University  
3181 SW Sam Jackson Park Road  
Portland, OR 97201-3098

Dear Dr. Walsh:

Thank you for your important role in prioritizing health services so that the State of Oregon can provide health care benefits to as many low-income citizens as possible through the Oregon Health Plan.

Although the recession challenged the state's ability to continue providing Oregon Health Plan benefits to the many citizens in need of them, I know you share my vision for Oregon as a place in which every citizen has access to basic and necessary health care. To continue moving Oregon toward that vision, I am committed to making health care more affordable for all Oregonians; improving access to health care for the more than 600,000 Oregonians without health insurance is critical piece of that work.

While the Prioritized List has certainly been a significant component to our Medicaid Demonstration Project to this point, the reality is that Oregon has not been allowed to use the List to as it was originally intended: to provide access to a basic package of health care benefits defined to be consistent with the limited financial resources available for health care. Nevertheless, I believe that the Oregon Health Plan and its framework continue to be major assets to the state's ability to provide health care coverage to Oregonians. In particular, the work you have recently initiated to reorder services to reflect a higher emphasis on preventive services and the management of certain life-threatening chronic illnesses may provide us an opportunity to better care for some of our most vulnerable OHP clients.

I plan to use your new list as the centerpiece for defining a cost-effective benefit package of preventive and chronic disease management for OHP Standard clients as part of a new Medicaid Waiver amendment. A package focused on these selected services

**STATE CAPITOL, SALEM 97301-4047 (503) 378-3111 FAX (503) 378-4863 TTY (503) 378-4859**  
**WWW.GOVERNOR.STATE.OR.US**

Eric W. Walsh, M.D., Chair  
February 8, 2006  
Page Two

may allow more people to be served at the current eligibility level and may even allow us to cover additional individuals in the OHP Standard Plan.

As you work on this important task, the Medicaid Advisory Committee and the Health Policy Commission will also be working on plans to improve access to health care for uninsured Oregonians. I have asked Medicaid Advisory Committee to help me develop my Healthy Kids Plan, a plan to provide access to basic health coverage for all children in Oregon. At the same time, I have asked the Health Policy Commission over the next year to develop recommendations for incrementally moving toward a sustainable health care system that provides everyone with access to affordable health care. Because your work relates to the larger goal – improved access to health care for all Oregonians – I ask that you please keep the Health Policy Commission apprised of your work and the thinking behind it.

I, too, look forward to hearing about your progress and am optimistic that together, we can begin to reduce the number of uninsured Oregonians. Thank you again for your time and dedication to this very important work.

Sincerely,



THEODORE R. KULONGOSKI  
Governor

TRK:EKS/glv

Copy: Darren Coffman, Director, Health Services Commission  
Gretchen Morely, Director, Health Policy Commission  
Kerry Barnett, Chair, Health Policy Commission  
Bob DiPrete – Director, Medicaid Advisory Committee  
Tina Kotek, Chair, Medicaid Advisory Commission  
Jeanene Smith, Acting Director, Office of Health Policy and Research  
The Honorable Karen Minnis, Oregon State Representative  
The Honorable Peter Courtney, Oregon State Senator