

EXECUTIVE ORDER NO. 26-27

PROTECTING ACCESS TO HEALTH CARE

WHEREAS, the federal government has enacted significant changes to the nation's health care system through President Trump's House Resolution 1 (H.R. 1) and other federal actions that will make it harder for eligible Americans to obtain and maintain health coverage;

WHEREAS, H.R. 1 reduces federal support for health care funding and imposes new eligibility, enrollment, and administrative requirements on state Medicaid programs that will create additional barriers for Oregonians to get health care when they need it even when they qualify;

WHEREAS, Congressional Leadership has failed to extend federal health insurance subsidies relied upon by many Oregonians causing direct price increases for consumers and volatility in the marketplace next year, while tariffs and federal policy uncertainty have already and continue to contribute to instability and higher costs across health insurance markets;

WHEREAS, H.R. 1 health care cuts will add volatility and uncertainty to provider practices across the state;

WHEREAS, the combined effects of these federal actions are expected to significantly increase costs to Oregon's health care system and extract an estimated \$9.4 billion total funds by 2031 from Oregon's health care providers, systems, and programs that keep Oregonians insured;

WHEREAS, the state of Oregon has made expanding access to affordable, high-quality care a public policy priority and today, more than 97 percent of Oregonians have health insurance coverage;

WHEREAS, the state has taken action to reduce insurer price increases and preserve consumer choice through the Oregon Reinsurance Program and other regulatory actions to reduce rates in the individual market by an average of 6% to 8% each year;

WHEREAS, the Oregon Reinsurance Program dampened rate increases by an average of 10.7% for the 2027 plan year;

WHEREAS, state initiatives to expand health care access have been proven to strengthen hospital system stability and significantly reduce consumer medical debt;

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WHEREAS, primary care is critical to the long-term health of every family, helps avoid unnecessary higher cost interventions for patients and families, and ensures efficient use of taxpayer dollars by reducing avoidable hospitalizations, improving chronic disease management, and promoting early detection and prevention that keep communities healthier over time;

WHEREAS, Oregon must continue to pursue opportunities to lower health care costs, strengthen primary care, ensure reliable reimbursement for providers, reduce unnecessary administrative burden, and maximize the purchasing power of state health care programs;

NOW, THEREFORE, I, TINA KOTEK, Governor of the State of Oregon, by virtue of the power and authority vested in me by the Constitution and statutes of the State of Oregon, do hereby issue this order to become effective immediately:

IT IS ORDERED AND DIRECTED:

1. **Identifying options to further lower costs and stabilize the individual market and enhance savings in the small group market.** The Department of Consumer and Business Services (DCBS) shall request the Division of Financial Regulation (DFR) immediately procure a third-party analysis of Oregon's reinsurance program to ensure the program is working to its maximum effectiveness to lower consumer costs on the individual market. DFR shall conduct additional analysis into how reinsurance and other tools may stabilize or support additional markets and lead to employer savings.
 - a. DFR will procure a market-wide analysis of the state's reinsurance program to identify how an expanded program, risk pooling, and other strategies may support the individual, small, and large group markets to improve affordability for individual enrollees, employers, and employees.
 - b. DFR will procure the necessary tools to assess the adequacy of plan networks, including the prevalence of ghost networks.
 - c. DFR will use emergency authorities available to them to expedite procurement, and the Oregon Health Authority (OHA) shall support DFR to enable this work.
 - d. DFR will issue preliminary recommendations for executive action, budgetary, and legislative actions by March 2027.

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2. **Ensuring primary care and prevention are an actualized strategy to improve health and reduce avoidable costs.** Effective immediately, DFR and OHA shall enforce corrective actions and further transparency for all payers required to comply with the 12% primary care spend target under ORS 414.572 and ORS 743.010.
 - a. Within 45 days, DFR and OHA shall communicate to Coordinated Care Organizations, Fee-for-Service vendor(s), and insurers how the agencies will pursue enforcement of this law.
 - b. OHA shall pursue legislative changes to ensure the definition of primary care in future years is congruent with the goal of driving health care utilization toward preventive, primary care services.
3. **Ensuring reliable reimbursement for providers.** OHA and DFR shall review timely pay provisions, issue clarifications for how the agencies will enforce existing requirements, and identify what additional actions may be taken to ensure that clean claims across regulated insurance markets are paid in a timely manner to support predictability and consistency for Oregon providers with a focus on primary care.
 - a. OHA and DFR will take necessary action to clarify enforcement of and adopt provisions related to this purpose within 60 days.
4. **Maximizing patient-provider time and reducing administrative burden for primary care clinics.** Under the coordination and direction of the Governor's Office, OHA shall produce recommendations to strengthen and simplify the Patient-Centered Primary Care Home Program (PCPCH).
 - a. OHA will convene providers and payers to identify the highest function of the program, eliminate unnecessary requirements not in service to this function, and seek areas of alignment to reduce primary care provider burden and improve integrated care.
 - b. OHA will make recommendations on how the PCPCH program can best align with the Quality Incentive Program and state value-based payment strategies to support primary care stability. Recommendations shall include strategies to align program requirements to the extent practicable.
 - c. OHA will report on administrative actions that can be taken without legislation and make recommendations for legislative changes to accomplish these goals.
 - d. DFR shall assist as necessary to ensure alignment across regulated markets.



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5. **Optimizing state purchasing of high-cost drugs to lower healthcare costs for all Oregonians.** OHA, the Oregon Youth Authority (OYA), the Oregon Department of Veterans Affairs (ODVA), and the Oregon Department of Corrections (ODOC) shall evaluate the opportunity to maximize state purchasing of pharmaceutical drugs for agency administration, including but not limited to partial and full formulary alignment and participation in Oregon's multi-state purchasing arrangement.
 - a. The agencies shall evaluate the opportunity for direct cost savings, administrative cost savings, and potential savings if a uniform prescription drug list is adopted, and present initial findings to the Governor's Office and the Legislature by March 2027.
6. **Simplifying the Medicaid pharmacy benefit for providers and reducing program costs.** OHA shall consult with a not-for-profit entity with experience administering state prescription drug formularies to develop a legislative proposal to adopt an aligned prescription drug formulary to maximize state rebates, reduce administrative burden for providers, and reduce overall costs. OHA shall confer with consumer advocates to ensure necessary exemptions are reflected in the legislative framework for consideration in the 2027 legislative session.
7. **Tracking coverage loss of Oregonians eligible for health care due to federal policies.** OHA shall report quarterly to the Governor and the Legislature the number of Oregonians losing coverage or being denied coverage at application due to new federal procedural requirements. Within 30 days, OHA shall identify which Medicaid data will be reported, including but not limited to qualitative provider-level data, to understand how new procedural requirements are preventing eligible Oregonians from accessing insurance coverage. The Oregon Department of Human Services shall assist OHA in producing this report.

The Order shall remain in effect until the actions set forth above are implemented or the Governor directs otherwise.

Done at Salem, Oregon, this 13th day of October, 2026.



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Tina Kotek
GOVERNOR

ATTEST:

Tobias Read
SECRETARY OF STATE