

# Oregon Health Authority Policy Package for the 2025-27 Governor's Budget

POP#	Title	Description	General Fund	Total Funds
201	Mainframe Modernization	This package continues modernization of the 50-year-old mainframe that was first approved through POP 203 in the 2023-25 biennium. This modernization transfers the mainframe to a more flexible and supportable technology that can meet the needs of more than a million constituents who expect and rely on the Oregon Department of Human Services (ODHS) to provide secure services.	\$734,146	<b>\$6,909,171</b>

For more information, please visit the Oregon Health Authority Government Relations website at [oregon.gov/oha/erd/pages/government-relations.aspx](https://oregon.gov/oha/erd/pages/government-relations.aspx) or by scanning the QR code.



POP#	Title	Description	General Fund	Total Funds
202	Improve Information Technology (IT) Security and Privacy Posture	The Information Security and Privacy Office (ISPO) supports Oregon Health Authority (OHA) OHA and ODHS programs by protecting agency regulated data such as Health Insurance Portability and Accountability Act (HIPAA), Personally Identifiable Information (PII), and Federal Tax Information. ISPO also identifies and mitigates risk, and ensures the confidentiality, integrity, and availability of information for Oregonians. The security and privacy standards of this information are much greater for ODHS and OHA than most other state agencies because the risks related to government health and human services data are substantial. Insecure information could lead to compromised privacy, financial harm, emotional distress, potential medical mismanagement, and erosion of public trust. This POP allows ODH and OHA to proactively invest in resources and tools to strengthen these essential areas, address Secretary of State audit gaps and mitigate privacy risks and vulnerabilities.	\$869,154	<b>\$5,100,027</b>
406	Required Inclusive & Supportive Access	This package enables OHA to meet current service levels and satisfy upcoming regulatory requirements. This includes providing comprehensive digital accessibility as required by the U.S. Department of Justice. This would also allow OHA to provide facilities and services that are meaningfully accessible to its employees and the public regardless of their language abilities and disability status, and to establish and steward a work environment that is respectful, professional and aligned with OHA's mission to achieve health equity.	\$1,894,022	<b>\$2,367,527</b>

POP#	Title	Description	General Fund	Total Funds
407	Health Care Market Oversight Program Funding Support	This package funds OHA's administration of the Health Care Market Oversight (HCMO) program in the 2025-27 biennium. Through the HCMO program, OHA reviews and approves health care consolidation in Oregon, ensuring that health care mergers and acquisitions support statewide goals to lower healthcare costs to consumers, improve quality of care, expand access to care, and promote health equity.	\$2,648,565	<b>\$3,115,253</b>
408	Medical Benefits for Incarcerated Individuals	This package funds the service delivery of Oregon's Medicaid 1115 Reentry Demonstration Waiver, which provides medical benefits to populations experiencing incarceration prior to, and after, their release from incarceration. The funding would ensure adequate OHA staffing, technical assistance, and best practices for implementation. Additionally, this package, includes benefits for Tribal members to ensure parity of care for those who cannot opt into coordinated care organization (CCO) enrollment upon release from incarceration.	\$14,290,185	<b>\$64,015,530</b>
409	Electronic Health Record (EHR) System and Information Technology (AVATAR)	This package promotes the safety and wellbeing of patients at the Oregon State Hospital (OSH), ensures data integrity of patient health records, efficient management of hospital staffing and scheduling and identification and analysis of risk factors affecting patients and staff. This request will meet Centers for Medicare and Medicaid Services (CMS) requirements by replacing an outdated version of OSH's EHR that will no longer be supported in 2025.	\$3,100,000	<b>\$3,100,000</b>

POP#	Title	Description	General Fund	Total Funds
410	Public Health Modernization	This policy package provides an incremental increase in funding to implement the key priorities selected by the Oregon Public Health Advisory Board (PHAB) as prescribed by House Bill 3100 (2015). This funding will address system-wide gaps that prevent Oregon from making progress toward eliminating health inequities, specifically within immunization rates for children and older adults. Additionally, this funding will ensure that OHA is better prepared to respond to public health threats such as future pandemics or the impacts of wildfires and climate change.	\$2,000,000	<b>\$2,000,000</b>
411	Expanding Regional Health Equity Coalitions Regions	This policy package increases funding for existing Regional Health Equity Coalitions (RHECs), expands the total number of RHECs to work toward greater statewide representation, and increases OHA staffing to ensure sufficient grantee support. RHECS are OHA's key mechanisms for meaningful community engagement. Sustaining and growing the RHEC program provides expertise and assistance to carry out regionally appropriate, concerted efforts to promote health equity across Oregon.	\$3,640,000	<b>\$3,752,334</b>
412	Operationalizing Equity in Health System	This package improves OHA's organizational infrastructure to create and operationalize an equitable health services delivery system for physical, behavioral, and oral health.	\$588,118	<b>\$588,118</b>
414	Native Services	This package establishes a permanent Native Services program by funding six positions to provide native services, spiritual and recovery practices at the Salem and Junction City campuses of the Oregon State Hospital (OSH). Providing equitable native services is federally required by the Indian Religious Freedom Act (IRFA) of 1978 and the Indian Health Care Improvement Act (IHCIA)-Public Law 94-437.	\$211,729	<b>\$211,729</b>

POP#	Title	Description	General Fund	Total Funds
415	Domestic Well Safety Program	This policy package will support ongoing OHA obligations to protect residents of the Lower Umatilla Basin Groundwater Management Area (LUBGWMA) from high levels of nitrate in their domestic well water. The funding would enable ODHS field operations to collect and transport water samples for laboratory testing, develop and maintain case management data systems, and contract with Morrow and Umatilla public health authorities and community-based organizations to support residents in accessing safe water services through testing and kitchen-tap treatment systems. Additionally, the package funds statewide education, community engagement, and health consultations in other rural communities experiencing water insecurity due to contaminated drinking water from domestic wells.	\$3,225,146	<b>\$3,225,146</b>
417	Healthier Oregon: Reinvesting Oregon Health Plan (OHP) Bridge Savings	This package would move eligible Healthier Oregon members to the Basic Health Plan (BHP). The move would secure \$130-160 million in federal funds and lead to \$60 million in general fund savings for the 2025-2027 biennium. This package covers IT costs for the transition and reinvests savings into the Healthier Oregon program and the Oregon Health Plan (OHP).	(\$18,131,796)	<b>\$24,731,607</b>

POP#	Title	Description	General Fund	Total Funds
418	Child Medicaid Behavioral Health: Home and Community-Care Based Services (HCBS)	This package provides children and youth with behavioral health needs equitable access to HCBS that comply with federal Medicaid requirements. Specifically, this funding enables OHA to select assessment tools, develop case management systems, establish provider networks, and refine eligibility processes.	\$395,977	<b>\$919,708</b>
419	Oregon State Hospital (OSH) Facility Conservation and Development	This policy package provides short-term funding to improve Oregon State Hospital facilities to ensure business continuity and reduce long-term maintenance costs. With nearly 1.5 million sq. ft. of buildings and interior secure perimeter court yards across three locations, the state hospital has one of the highest replacement values of any single facility owned by the state.	\$1,720,156	<b>\$9,265,156</b>
421	Hospital Assessment Renewal	This package renews the assessment on hospitals, which provides approximately one third of the funding for OHP when combined with federal dollars. OHP offers essential medical, behavioral, oral health, and Health-Related Social Needs services to Oregonians at or below 138% of the federal poverty level, regardless of citizenship status, ensuring equitable health outcomes for low-income Oregonians. Without authorization to continue the hospital assessment program, OHA could lose over \$2 billion in state funds and \$6.5 billion in federal Medicaid funding.	(\$1,091,000,000)	<b>\$1,985,000,000</b>

POP#	Title	Description	General Fund	Total Funds
422	Insurers' Assessment Renewal	Oregon Health Authority administers the Oregon Health Plan (OHP), which provides medical, behavioral, and oral health services and a Health-Related Social Needs benefit program for persons at 138% of the federal poverty level and below, regardless of citizenship status. The programs and services offered by the Oregon Health Plan are crucial to ensuring equitable health outcomes for Oregonians with low incomes. The Department of Consumer and Business administers the reinsurance program. The program is designed to stabilize rates for individuals purchasing insurance on the individual market, receiving federal funding through a waiver from the federal government. The program reimburses insurers for high-cost enrollees and spreads risk across the broader health insurance market in Oregon.	(\$133,891,664)	<b>\$123,965,962</b>
423	Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB) Program Integrity Development	This package provides PEBB and OEBB authority to spend state funds for consulting services to better identify deals for high quality, evidence-based healthcare for PEBB and OEBB members. Increasing funds for consultant services would immediately allow the PEBB and OEBB Boards to schedule clinical and claims audits, which are costly and require significant resources, but are critical to ensure benefit plans and services are being administered appropriately and legally. Further, funding would enable both Boards to issue RFPs as necessary to identify the strongest vendors to eliminate health inequities for PEBB and OEBB members.	\$-	<b>\$5,275,071</b>

POP#	Title	Description	General Fund	Total Funds
424	State-Based Marketplace Eligibility and Enrollment Platform Phase II	This policy package funds the second stage of Oregon's transition away from the federally facilitated marketplace to a state-based eligibility and enrollment platform. It also funds a call center to operate and administer Oregon's health insurance exchange. Specifically, the package funds a platform that interfaces with Oregon's Medicaid systems to keep people covered during transitions and address churn, improves the qualified health plan shopping and customer service experience, implements input from Oregon's various and diverse communities into technology and call center implementation, and collects, analyzes, and stores enrollment data, including Race, Ethnicity, and Language Disability (REALD) and Sexual Orientation, Gender Identity (SOGI) data.	\$-	<b>\$25,000,000</b>
425	Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB) Benefits Management System (BMS) Replacement	This package funds a BMS replacement project to improve PEBB and OEBB member experience and customer care. The current BMS used by OEBBPEBB members no longer support all current business needs since their respective introductions in 2008 and 2003. The new BMS would collect Race, Ethnicity, and Language Disability (REALD) and Sexual Orientation, Gender Identity (SOGI) data, provide a mobile app experience for members and improve the enrollment process for members to better utilize benefit tools and wellness programs and make informed benefit choices. The new system will also include a Financial Module. Approximately 300,000 covered beneficiaries would be at risk of benefits interruption if this replacement system is not complete prior to the expiration of existing vendor support in 2026.	\$-	<b>\$6,188,956</b>



POP#	Title	Description	General Fund	Total Funds
426	Modernizing Hospital Oversight Fee Structure	This package increases funds for the hospital licensing fee program, which ensures safe, high-quality hospital care for people in Oregon. The hospital licensing fee program has limited resources available to provide outreach, timely investigations, and assistance to individuals who speak a language other than English. In recent years, the volume and severity of hospital complaints have increased. From 2017 to 2023, the number of complaints received about hospitals increased over 130 percent. The scope and complexity of hospital licensing has also increased with new state laws required for hospital licensing, and new services. Additional resources would improve the program's ability to assist with equitable emergency planning and disaster response, answer frequent queries from the public, and consult on regulatory solutions for hospitals that best serve community needs.	\$-	<b>\$999,997</b>
427	Protecting Youth by Closing Tobacco Law Loopholes	This policy package would reduce youth access to harmful emerging oral nicotine products by ensuring all nicotine products are covered by the minimum legal sales age and other tobacco sales regulations. This policy package removes criminal penalties for people who sell tobacco products or inhalant delivery systems and eliminates loopholes that allow youth to access tobacco products through home delivery and giveaway change machines. Tobacco is the leading preventable cause of death and disease in Oregon, costing the state \$5.7 billion and more than 8,000 lives every year. Moreover, the burden of tobacco use is not distributed evenly, falling heavily on Oregonians with low incomes, African Americans, Native Americans and Alaska Natives, and those who identify as LGBTQ+. The bill could generate an estimated \$9.3 million in revenue if it closes the tax loophole for oral nicotine products made or derived from nicotine from any source.	(\$8,400,000)	<b>(\$8,400,000)</b>

POP#	Title	Description	General Fund	Total Funds
550	Behavioral Health Workforce Investments	This proposal would help to mitigate behavioral health workforce shortages by funding financial incentives for providers. Additionally, it would reduce educational and certification barriers expand training access, and create peer delivered services and a central resource hub for providers. These resources would tackle the shortage of behavioral health professionals, especially in rural areas and substance abuse disorder services, by attracting, retaining, and supporting a diverse, culturally competent workforce.	\$24,838,542	<b>\$24,250,000</b>
551	Harm Reduction Clearinghouse & Treatment Innovations	This package funds the Save Lives Oregon Initiative Harm Reduction Clearinghouse. The Harm Reduction Clearinghouse provides essential harm reduction supplies to community organizations, community and Tribal health clinics and programs, uniformed first responders and jails, substance use disorder facilities, and Special District entities, such as rural EMS, hospitals, transportation, libraries and more. The work of the Save Lives Oregon's Harm Reduction Clearinghouse expands community access to lifesaving medications like naloxone and supports organizations to integrate harm reduction strategies into their work that help prevent overdose, infections, and injuries. The Save Lives Oregon Harm Reduction Clearinghouse also provides opioid overdose response kits to schools, colleges, universities, and school-based health centers.	\$10,394,821	<b>\$10,394,821</b>

POP#	Title	Description	General Fund	Total Funds
552	Residential + Study	Based on the recently-released Residential+ Study, OHA will leverage the funding provided in this package to expand behavioral health residential treatment and improve infrastructure for substance use disorders, psychiatric treatment, and co-occurring needs across the state. This package increases the capacity of residential programs for youth, young adults, and adults by adding new psychiatric residential treatment facilities and substance use disorder (SUD) treatment beds, focusing on mandated populations as well as regional and cultural diversity. For youth, the initiative will reduce long wait times for treatment and reliance on emergency departments. For adults, it will improve access to developmentally responsive licensed residential and SUD treatment and housing, emphasizing equitable distribution of funds to smaller, culturally specific providers, and those that serve the Aid and Assist population.	\$100,000,000	<b>\$100,000,000</b>
556	Certified Community Behavioral Health Clinic (CCBHC) Expansion	In order to implement HB 4002 (2024), which mandates OHA to secure federal approval for CCBHC expansion under Medicaid by demonstrating a statewide plan, this package allows OHA to integrate fifteen additional CCBHCs in 2026. Additionally, the package funds two crucial staff positions essential for supporting statewide expansion by ensuring Medicaid compliance, optimizing payment models, developing policies, coordinating programs and fostering collaboration.	\$14,096,922	<b>\$14,096,922</b>

For more information, please visit the Oregon Health Authority Government Relations website at [oregon.gov/oha/erd/pages/government-relations.aspx](https://oregon.gov/oha/erd/pages/government-relations.aspx) or by scanning the QR code.



You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact Sarah Herb at [sarah.herb@oha.oregon.gov](mailto:sarah.herb@oha.oregon.gov) or 971-372-9887 (voice/text). We accept all relay calls.

**External Relations Division**

Government Relations

3455 Aumsville Hwy SE, Suite 100

Salem, OR 97317

Phone: 503-945-6691

Email: [feedback@odhsoha.oregon.gov](mailto:feedback@odhsoha.oregon.gov)

