Cost Growth Target for 2026-2030 Workgroup

Sustainable Health Care Cost Growth Target

Recommendation to OHA

November 19, 2025

The Oregon Health Authority convened a short-term workgroup in October to review economic data and make a recommendation to the agency on the statewide cost growth target for the 2026-2030 measurement periods. The workgroup had 34 members (<u>roster</u>) and met five times in October and November. More information about the workgroup and all meeting materials are posted online: https://www.oregon.gov/oha/HPA/HP/Pages/2026-2030-workgroup.aspx

The workgroup developed the following recommendation, which was approved by majority vote (20 yes, 4 no) on November 19, 2025.

The cost growth target for 2026-2030 should be 5.50%, based on a 50/50 blend of historic 5-year lookback National Health Care Expenditures (NCHE) per capita growth and historic 5-year lookback Oregon median wage growth. The cost growth target should be the same (static) for the entire 2026-2030 measurement period, unless subject to adjustment by OHA due to extraordinary circumstances (such as a pandemic).

The four workgroup members that did not support the majority recommendation developed two minority perspectives:

3 of the 4 members: The cost growth target should not be based on any indicators of health care industry costs but instead draw from equally balanced indicators of Oregon' median wages and general inflation, minus one percentage point in order to bend the cost curve.

1 of the 4 members: The cost growth target should not be based on any indicators of health care industry costs but instead draw from equally balanced indicators of Oregon' median wages and general inflation.

