



November 26, 2025

Oregon Health Authority  
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**RE: Support for 2026-2030 Cost Growth Target Work Group Recommendation**

Dr. Sejal Hathi,

The Hospital Association of Oregon participated in 2026-2030 Cost Growth Target Work Group and supports the work group's final [recommendation](#) to set the next cost growth target at 5.50%.

We appreciate that the Oregon Health Authority (OHA) convened the work group and provided U.S. and Oregon economic data, as well as health care specific economic data. The work group had robust discussion about how the target affects payers and providers. We observed broad agreement that a realistic target is critical as the Cost Growth Target moves towards increased enforcement.

As we shared previously, we believe it is important for the 2026-2030 target to be realistic and factor in the current strain on Oregon's health system. Oregon's health care system is in crisis now, and H.R. 1 will accelerate changes. The work group's proposal takes into consideration data that reflects cost pressures that are not under direct provider or insurer control.

OHA program staff clearly communicated that OHA will make the final decision on the cost growth target for 2026-2030. As Director of OHA, we urge you, Dr. Hathi, to accept the work group's recommendation of 5.50% based on the following formula:

"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)." (Recommendation to OHA)



In addition to our participation in the work group, the hospital association is in active conversations with OHA staff about how to best engage with the Cost Growth Target program moving forward since the Cost Growth Target Advisory Committee disbanded at the end of 2024.

Also, during the work group, several participants, including the hospital association, raised broader concerns about the Cost Growth Target program that were deemed out of scope for the work group. We will continue to work with OHA on how best to address concerns with the program's processes and methodology.

Sincerely,

Sierra Canfield  
Director of Public Policy  
Hospital Association of Oregon

#### **About the Hospital Association of Oregon**

Founded in 1934, the Hospital Association of Oregon (HAO) is a mission-driven, nonprofit trade association representing Oregon's 61 hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer, more equitable Oregon where all people have access to the high-quality care they need, the hospital association supports Oregon's hospitals so they can support their communities; educates government officials and the public on the state's health landscape, and works collaboratively with policymakers, community based organizations and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.

