Protecting access to health care in Oregon

The problem

The damaging aftershocks of the COVID-19 pandemic have shifted the ground beneath Oregon’s community hospitals.

The national workforce shortage and successive waves of patients have combined with Oregon’s failing continuum of care to cause capacity challenges in hospitals. Because there is a lack of capacity further along the continuum of care, hospital patients are too often unable to be discharged to a nursing facility, behavioral health facility or to another care setting. Without available hospital beds, patients who need to be admitted are instead “boarded” in the Emergency Department while they wait and patients in outlying areas cannot get transferred for a higher level of care. This combination of challenges has real implications for patients, who are not being cared for in the best setting, and real implications for hospitals, which are not paid adequately for the care they are providing as they serve as the state’s safety net.

We need stable hospitals to take care of our loved ones and neighbors, and these ongoing societal, workforce and financial challenges pose an existential threat. We are deeply concerned that as these trends continue, hospitals will be forced to make tough decisions about the services they provide to our communities.

Our solutions

The Oregon Association of Hospitals and Health Systems is offering a package of policy solutions that together work to:

1. Preserve and protect access to quality care
2. Support health care workforce development and retention
3. Stabilize the state’s health care system

Preserve and protect access to quality care

We support:

• Exempting costs incurred to meet community need from the state’s Health Care Cost Growth Target. [House Bill 2742] Hospitals should not be penalized for providing services their communities need. We are advocating to exclude from the state’s cost growth target any expenditures that reflect costs incurred by a health care entity to meet a community’s need for access to health care, including but not limited to workforce costs, pharmaceutical costs and costs of essential services.

• Ensuring accountability of any new policy against the Health Care Cost Growth Target. [House Bill 2742] Policy proposals intended to improve health care often come at a cost, and policy makers need to decide whether the cost is justified by the anticipated benefit. We are asking the Legislature to require a fiscal impact statement describing the impact a bill would have, if enacted, on the ability of the state, payers and providers to meet the state’s cost growth target.

• Improving our state’s nurse staffing law. Our current nurse staffing law does not work for hospitals, staff or patients. We are advocating for improvements to the nurse staffing law so that it better meets the needs of the hospital workforce and patients.
Support workforce development and retention

We support:

• **Creating state-funded clinical training incentives.** [Senate Bill 484 and House Bill 2926 – amendment needed] An ongoing shortage of clinical placements was exacerbated by the COVID-19 emergency. We are advocating for the establishment of a program to provide state financial incentives to hospitals that offer clinical training opportunities for nurses.

• **Expanding the health care provider incentive program to include registered nurses and licensed practical nurses.** [Senate Bill 485 and House Bill 2928] We are advocating for the expansion of the existing Health Care Provider Incentive Program to support RNs and LPNs who practice in hospitals.

• **Extending state tax credits to nurse educators.** [Senate Bill 493 and House Bill 2744 – amendment needed] Financial barriers discourage nurses from becoming nurse educators. We are advocating for the expansion of the existing Oregon Office of Rural Health’s Provider Incentive Program to provide state tax credits to eligible nurse faculty members, including nurse educators, nurse educator associates and adjunct faculty.

Stabilize the state’s health care system

We support:

• **Funding for hospitals that serve as a safety net in Oregon’s failing continuum of care.** [Senate Bill 486 and House Bill 2537 – amendment needed] Oregon’s continuum of care is failing. Patients who need homes, nursing home care, access to behavioral health services, or other safe places to go to receive appropriate care are often forced to stay in hospitals beds while they wait. We are advocating for the state to pay hospitals a fixed payment amount for each patient who has a delayed discharge. The payment would help cover hospitals’ costs for caring for patients and incentivize improvements along the continuum of care.

• **Fully funding:**
  - Medicaid, without rate reductions, to ensure more than 1.4 million Oregonians on Medicaid continue to have access to health care services.
  - The disproportionate hospital share (DSH) program, which supports hospitals serving low-income populations.
  - The graduate medical education (GME) program to help support the training of more physicians.

We are ready to work collaboratively with legislators and stakeholders to find solutions to hospitals’ many challenges.