DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201

August 13, 2026

VIA ELECTRONIC MAIL: Chiqui.L.Flowers@oha.oregon.gov
Chiqui Flowers
Director
Explore Health
500 Summer Street NE, E-56
Salem, OR 97301

Dear Director Flowers,

I am pleased to inform you that the State of Oregon ("Oregon" or "the State") has received conditional approval to establish a State-based Exchange (SBE) for plan year 2027. Congratulations to the Explore Health team on reaching this significant milestone on the path to establishing an SBE for the residents of Oregon.

The conditional approval reflects the progress Explore Health has made in demonstrating implementation of Federally-required Exchange functionality as necessary for an SBE to provide affordable, quality coverage for consumers beginning for plan year 2027 (PY27). The Centers for Medicare & Medicaid Services (CMS) has reached this decision based on Oregon's SBE Blueprint Application attestations, progress to date, and expected progress across the entire spectrum of Exchange requirements. CMS's conditional approval is contingent upon the following conditions:

1. Continued compliance with federal regulations, and continued compliance and/or demonstration of the ability to perform required Exchange activities in line with the attestations Explore Health has made in its SBE Blueprint Application submission; and

2. Please find appended to this letter, a chart summarizing CMS' assessment of Explore Health's progress around key SBE transition activities, which includes notable requirements Explore Health must maintain or continue to meet, to keep conditional approval.

We look forward to continuing our partnership with Explore Health and are committed to providing your team our ongoing support and technical assistance to help Explore Health succeed.

Sincerely,

Peter Nelson
Director, Center for Consumer Information and Insurance Oversight
Deputy Administrator, Centers for Medicare & Medicaid Services

Attachment: Explore Health – CMS Assessment of Key SBE Transition Activities

Key Functional Area	State Progress
Federal Data Services Hub (FDSH) Authority to Connect (ATC)	Received CMS Federal Data Services Hub (FDSH) Authority to Connect (ATC) approval on 7/14/2026. Received IRS SSR approval on 8/6/2027.
Federal Data Services Hub (FDSH) Testing	On track, expected to complete FDSH, and IRS end-to-end testing by October 2026.
Plan Management	Successfully demonstrated consumer-facing Qualified Health Plan (QHP) display capabilities on 7/27/2026. Successfully submitted evidence of Advance Premium Tax Credit (APTC) calculation and proration capabilities on 7/20/2026. Successfully demonstrated accurate transfer of certified QHP data through the National Association of Insurance Commissioners' (NAIC) System for Electronic Rates & Forms Filing (SERFF), onto own SBE, along with issuer plan preview and validation tools on 7/27/2026.
Eligibility and Enrollment	Oregon submitted its single, streamlined eligibility application (SSApp) gap analysis for CMS review and approval under 45 CFR 155 Subpart D and 45 CFR 155.405(b) on 12/30/2025. Oregon demonstrated to CMS implementation of required eligibility functionality, including coordination with the State Medicaid Agency (SMA) and Basic Health Program (BHP) through a series of live Operational Readiness Reviews (ORRs) on 5/18/2026, 5/20/2026, and 6/9/2026. Oregon also submitted five additional video recordings demonstrating required functionality based on different eligibility scenarios. Oregon demonstrated bi-directional, end-to-end account transfer functionality live (SBE-to-SMA and SMA-to-SBE) during an ORR on 7/17/2026. Oregon submitted documentation to CMS showing progress in onboarding QHP issuers onto the Oregon SBE platform to conduct automated enrollment transactions, including progress in testing of enrollment functionality with issuers using different consumer scenarios and actions. To maintain conditional approval, Oregon must address the required open eligibility and enrollment items identified through CMS' ORRs and implement necessary changes as described and, by the dates agreed upon, in the "Requirements and Recommendations for OR" document and summarized below: Updates to Eligibility Determination Notices (EDNs), such that they accurately and clearly describe applicant eligibility results, in particular, in cases where:

	• An applicant is referred to the SMA for a full eligibility determination of non-MAGI Medicaid.
Consumer Assistance	Successfully demonstrated a consumer-facing SBE website and call-center development plan to CMS on 7/6/26, meeting functional requirements outlined in the SBE Blueprint application. To maintain conditional approval, Oregon will incorporate CMS feedback on the website prior to Open Enrollment go-live of its website. Successfully provided and incorporated results of a stakeholder usability testing plan, provided to CMS on 7/23/26, in the implementation of Oregon's consumer-facing Exchange website under CFR 155.205(b). On 6/23/2026, CMS and Oregon established an agreed-upon consumer communications coordination plan regarding the transition of consumers from the Federal platform to the SBE.
Legal Authority and Governance	Oregon Senate Bill 972 (2023) provided enabling authority to operate the Oregon SBE. Oregon's SBE, Explore Health, will operate as a division of the Oregon Health Authority, in which Oregon's State Medicaid Agency and Basic Health Program also operate. Oregon Health Authority is governed by the Oregon Health Policy Board, which meets the requirements of 45 CFR 155.110(c) and holds meetings on a regular basis that are open to the public with advanced notice. Oregon has provided full staffing plan to CMS which includes information to cover the SBE transition period, first SBE Open Enrollment period, and SBE operations thereafter.