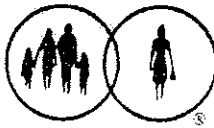


Oregon Academy
of Family Physicians



MEMORANDUM

To: Co-Chair Mitch Greenlick
Co-Chair Jim Thompson
Members of the House Health Care Committees

From: Oregon Academy of Family Physicians
Date: February 2, 2012

Re: OAFP Comments on HB 4010 – Nurse Practitioner's Reimbursement

The Oregon Academy of Family Physicians has concerns about HB 4010 as introduced regarding the reimbursement for nurse practitioners.

Nurse Practitioners are important primary care partners. We are interested in helping them reverse the unexplained reduction in their reimbursement. These cuts are unacceptable and we support either of the solutions listed below that have been proposed to the Oregon Nurses Association that would narrowly target the facts of their case:

Option 1: Any health insurer that reduced reimbursement rates to a nurse practitioner after January 1, 2009 from the rates paid prior to that date must increase those rates to at least the rate paid prior to January 1, 2009.

Option 2: Any health insurer that reduced reimbursement rates to a nurse practitioner after January 1, 2009 from the rates paid prior to that date must file with the Insurance Division a justification for that reduction in rate. The justification must be accepted by the Insurance Division pursuant to criteria developed by the division by rule. If the rate reduction justification is not accepted, the insurer must increase rates for at least the rate period prior to January 1, 2009.

However, we do not believe HB 4010 as introduced is the solution. Primarily, we don't believe this legislation takes into consideration the ongoing health reform efforts which would fundamentally change the way all health care providers are paid.

Mandating a payment rate for one group in state law while the Oregon Health Policy Board is encouraging comprehensive payment reform will take the transformation discussion in the wrong direction. Any dialogue about reforming payment and realigning incentives should occur in tandem with health care delivery system reforms and must include input

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from all physicians and other health care providers as the system is redesigned to be meaningful and better achieve the Triple Aim.

If HB 4010 as introduced were to pass, we believe the most likely result would be that insurance carriers would simply lower primary care physician reimbursement to nurse practitioner rates. Not only would this not solve the nurse practitioners problem, it would create or exacerbate the problem of under-reimbursement of primary care.

We encourage you to oppose HB 4010 as introduced.