



House Bill 4010 – Payment Parity for Nurse Practitioners

Nurse Practitioners play a critical role in delivering health care to patients in every corner of Oregon. In the face of national health care legislation and Oregon's move toward community based care that emphasizes primary and preventive care, our citizens will grow more and more reliant on advanced practice nurses to provide high-quality, cost-effective care.

Background

In 2009, one of Oregon's largest insurance companies decreased reimbursement rates for mental health services rendered by non-physician providers. Other insurance companies quickly followed suit, resulting in significant reimbursement cuts. This has caused a ripple effect throughout the mental health industry and poses a serious barrier to the ability of providers other than physicians to maintain their practices and continue to serve Oregonians in need of mental health services. When this trend started, the impact was clearly on mental health providers. Since that time, Nurse Practitioners in primary care have started receiving notice from insurers that their reimbursement rates would be reduced. As was the case with mental health, this jeopardizes patient access to care, the viability of Nurse Practitioner run small businesses and clinics that employ Nurse Practitioners, and undercuts Oregon's stated goal of shifting to a health care system that focuses on primary and preventive care.

Problem

The decrease in reimbursement rate is reducing access to care for mental health patients. 82% of Psychiatric Mental Health Nurse Practitioners surveyed reported a reduced capacity to provide care to mental health clients as a result of reimbursement cuts. When access to health care services is limited, patients tend to enter the system through the emergency room, driving up costs for everyone. As cuts begin to impact primary care providers we can expect to see similar impacts on access to services.

Reimbursement reductions for "non-physician providers" imply that providers such as Nurse Practitioners perform services that are less valuable than their physician counterparts. This is simply not true. Oregon's advanced practice nurses have a broad scope of practice and bill insurance companies using the same billing/treatment codes as physicians. Additionally, decades worth of research has consistently found that outcomes of patients treated by Nurse Practitioners are comparable to outcomes of patients treated by physicians.

HB 4010

Proposed legislation would require insurers to reimburse Nurse Practitioners the same rate as physicians when they are providing the same service and billing under the same codes. Equitable reimbursement for Nurse Practitioners would improve access to care for Oregonians, and would provide fair treatment to Nurse Practitioner run small businesses, and clinics that employ Nurse Practitioners, and would better align with goals of health care reform.

For More Information

Contact Jack Dempsey at ONA at (503) 358-2864, or via email at dempsey@oregonrn.org.

Nurse Practitioner Questions and Answers

Question: What is a Nurse Practitioner, and what are they able to do under Oregon Law?

Answer: A Nurse Practitioner is an advanced practice nurse who provides comprehensive services to people and their families. In Oregon, Nurse Practitioners are independently licensed to diagnose, manage and treat illness, to prescribe and dispense medications, and to order and interpret laboratory tests. Nurse Practitioners are trained in health promotion, disease prevention, and patient education. Oregon Nurse Practitioners have earned the right to practice independently, without the supervision of a physician. Nurse Practitioners work in a variety of care settings, including acute care facilities, long term care, home health, primary care, group practices, and private practice.

Question: If NPs are reimbursed the same rate as physicians, won't health care costs escalate?

Answer: NP practices typically focus on primary and preventive care that helps keep the population healthy, and help patients avoid more expensive specialty care later on. This is in line with both state and national health care reforms that aim to prioritize services that keep people healthy. Additionally, patients who don't have access to quality primary and preventive care are more likely to end up seeking treatment in the emergency room, which is much more expensive.

Question: NPs have less training than MDs so don't they deserve to earn less?

Answer: NPs perform many of the same services that MDs provide and should be reimbursed based on the care they're licensed and trained to provide and not based on how many years they spent in school. The current health care reform movement is based on transitioning away from episodic based care to treatment and reimbursement based on outcomes. Until we get to this point, this legislation can prevent Oregon from losing needed health care providers who face difficult decisions about closing or limiting their practices when faced with drastic cuts from insurers.

Question: Do NPs typically see less complicated patients, than MDs?

Answer: This is a commonly held myth. Across Oregon, Psychiatric Mental Health Nurse Practitioners report that they see the same patients as psychiatrists. In group practices that include MDs and NPs, patients are frequently assigned to a provider based on first available appointment, not patient acuity. This holds true in primary care as well. In fact, data presented in the recent Institute of Medicine Report on the Future of Nursing, shows a minimal degree of variation in the complexity of patients seen by different provider types in primary care.

Question: Even though Nurse Practitioners have a similar scope of practice as a family physician, they are trained differently, so isn't the level of care a patient receives from an NP different than they'd receive from a physician?

Answer: Quite simply, no. Decades of data have consistently shown that NP outcomes are equal to physician outcomes. The recent Institute of Medicine Report on the Future of Nursing report analyzed data on NP outcomes, and clearly and strongly recommends that Nurses, including Nurse Practitioners should practice to the full extent of their training and education, and that barriers to Nurse Practitioner practice should be removed. As our health care system evolves to focus more on primary and preventive care, chronic disease management, and wellness promotion and transitions away from acute care settings and into more community based settings, the report concludes that removing barriers to Nurse Practitioner practice will better equip the nation to address the challenges in our health care system. Furthermore, a recent systematic review of published literature between 1990 and 2008 found that the outcomes for care provided by advanced practice nurses, including Nurse Practitioners are similar to and in some ways better than care provided by physicians alone. This review underscores that Nurse Practitioners provide effective and high-quality patient care.¹

¹ Newhouse, Robin P. et al. (2011) Advanced Practice Nurse Outcomes 1990-2008: A Systematic Review. *Nursing Economic\$* (Vol 29/No. 5) 1-22. Retrieved from <https://www.nursingeconomics.net/ce/2013/article3001021.pdf>.

February, 2012

Members of the Senate and House Health Care Committees:

RE: HB 4010

Thank you for the opportunity to submit this letter in support of payment parity for Nurse Practitioners.

As Oregon physicians, we deeply value our Nurse Practitioner partners, and have first-hand experience working with Nurse Practitioners as our colleagues. In our experience, Nurse Practitioners are competent health care providers who are a critical component of our health care system.

In our practices, our Nurse Practitioner colleagues see the same patients we see. Nurse Practitioners diagnose and treat the same illnesses, and prescribe the same medications. Patients are not assigned to a certain type of provider based on the complexity of their condition. Rather, they tend to see the provider of their choice, or the provider with the first available appointment. Frequently the receptionist makes the determination on which provider a new patient will see.

We would like to address a disturbing trend in reimbursement for Nurse Practitioners. Recently, some insurers have started to reduce reimbursement rates for some Nurse Practitioners. While this initially affected Psychiatric Mental Health Nurse Practitioners, it is now spilling over into primary care. In some clinics, Nurse Practitioners are reimbursed the exact same rate as a physician for the same services. In others, Nurse Practitioners are starting to receive notifications from insurers that their reimbursement will be reduced.

Not only do these arbitrary reductions undercut the goals of health care reform, which include focusing on primary and preventive care—some of the key services the Nurse Practitioners provide—but it also impacts the bottom line of our businesses, and threatens patient access to care.

We fully support the effort to require insurers to reimburse Nurse Practitioners the same rate as physicians when they are providing the same service and billing under the same code.

Thank you for your time and consideration.

Sincerely,

Dr. John Ross

Dr. Bruce Douglas

Dr. Jeana Crover

Dr. David Blessing

Dr. Daniel Crawford

Dr. Phillip McDaniel

Dr. Timothy Janzen

Dr. Walter Norton

Dr. David McAnulty

Dr. David Maslen

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Dr. Peggy McNichol

Dr. Dennis Mayer

Dr. Sara Becker

Dr. Moses Gallegos

Dr. Barry Davis

HB 4010 - Nurse Practitioner Payment Parity

HB 4010 would require insurers to reimburse Nurse Practitioners the same rate as physicians when the Nurse Practitioner is providing the same service and billing under the same code.

In Oregon, Nurse Practitioners are independently licensed to diagnose, manage and treat illness, to prescribe and dispense medications, and to order and interpret laboratory tests. Oregon Nurse Practitioners have earned the right to practice independently, without the supervision of a physician, and play a critical role in delivering health care to patients in every corner of Oregon.

Since 2009, insurers have made cuts to reimbursement rates for Nurse Practitioners, starting with Psychiatric Mental Health Nurse Practitioners and now including Nurse Practitioners in primary care. These cuts undermine the stated goals of both state and national health reform efforts of increasing access to primary and preventive care, make it difficult for providers to stay in business, and limit patient access to care.

This legislation is a simple fix that would restore equitable reimbursement to Nurse Practitioners, in turn improving access to care for Oregonians, providing fair treatment to Nurse Practitioner run small businesses and clinics that employ Nurse Practitioners, and would better align with goals of health care reform.

