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February 11, 2013

The Honorable Laurie Monnes Anderson
The Honorable Jeff Kruse
Chair and Vice Chair, Senate Health Care and Human Services Committee
State Capitol
Salem, Oregon 97301

RE: Senate Bill (SB) 122, health plan guidance by Health Evidence Review Commission

Dear Senator Monnes Anderson, Senator Kruse and members of the committee:

On behalf of Providence Health Plan, we want to thank you for the opportunity to provide our input regarding SB 122, as it relates to the use of Health Evidence Review Commission (HERC) guidance in coverage determinations.

Providence Health Plan manages medical and pharmacy benefits for more than 375,000 individuals through the various populations we serve, which include programs for commercial populations and governmental entities. A crucial and successful component of our work is our nationally recognized medical management program. Our medical management program has received commendations for both its comprehensive approach and its demonstrable health improvement outcomes. Our approach includes establishment of evidence-based medical policies, personalized interactions with our members and measurement of health improvement outcomes.

A crucial element of our successful program is our rigorous approach to establishing evidence-based medical policies. These policies guide all our interactions with members, impacting a range of activities from our review of the medical appropriateness of services being rendered to our one on one case management work for members with chronic conditions. As we work in a personalized manner with our members, we also believe it is important to maintain flexibility to make determinations as needed based on the unique characteristics of each individual member's situation. In this way, we are able to balance the need for consistent population-based care with the individual needs of members with complex medical conditions.

We are concerned that the provisions of SB 122 would compromise the successful foundation of our medical management program. SB 122 appears to initiate a "one size fits all" approach to medical coverage that would run contrary to successful medical management programs such as that of Providence. While we agree with the promise of evidence-based policies, we believe that programs such as ours can deliver on that promise in a way that is rigorous enough to address the needs of broad populations yet flexible enough to address the unique needs of each individual we serve. While Providence values and utilizes HERC's evaluations, HERC's process to establish guidance is lengthy. Providence needs the flexibility to quickly adapt to new technologies and research.

We would suggest that the committee also consider whether an expansion of HERC's reach into the coverage determinations of organizations like Providence is consistent with our statewide healthcare reform initiatives. New initiatives such as the establishment of Coordinated Care Organizations (CCOs) to serve the Oregon Health Plan are designed to promote more accountable, community-focused decision-making. Although HERC sets the basic prioritized list, these new entities are being asked to consider a much larger array of determinants in making coverage decisions, such as mental / behavioral health needs, dental health and social determinants.

CCOs are also being asked to consider outside of the box interventions that are not necessarily evidenced based. An example of this is purchasing an air conditioner for a member whose heat-related cardiac events cause repeated emergency room visits. As Oregon moves towards individualized care with a whole-person approach, applying HERC's guidelines seems to be a move towards more rigid and less individualized care than what we are aspiring to in Oregon.

We thank you for the opportunity to provide these comments. If you would like to discuss these comments further, please contact me at 503-574-6406.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Gluckman', written in a cursive style.

Robert Gluckman, MD
Chief Medical Officer

CC: Senate Health Care Committee members
Jack Friedman
Carrie Smith
Mike Becker
Dan Jarman