



Testimony in Support of HB 2902 A

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Senate Health Care and Human Services Committee

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Chair Monnes Anderson and Members of the Committee,

In Oregon, Nurse Practitioners have broad authority, practicing independently in both primary and specialty care. Nurse Practitioners diagnose and treat illness, prescribe and dispense medication, order and interpret tests and provide comprehensive care to their patients. In primary care and mental health Nurse Practitioners provide many of the same services and bill insurers using the same codes as their physician colleagues.

Historically, while there has been some variation in reimbursement policies depending on the insurance company, provider, and area; Nurse Practitioners have most often been reimbursed at the same level as physicians for the same services. Indeed, many Nurse Practitioners today continue to be reimbursed at the same level as their physician colleagues.

Starting in 2009, Nurse Practitioners started getting notices from insurers—or in some cases newsletters from insurers—informing them that their reimbursement rate would be decreased. One carrier reduced reimbursement to providers simply because of their license type. The reductions have been arbitrary and have varied from insurer to insurer and provider to provider.

These cuts have had an impact on the practice of Nurse Practitioners in Oregon. In some cases, Nurse Practitioners are simply working longer hours and seeing more patients. In other cases, Nurse Practitioners have resigned from insurance panels, laid off office staff, or eliminated patients insured by some carriers.

Workforce Statistics:

There are almost 2200 Nurse Practitioners in Oregon. Approximately half practice in primary care and just over 15 percent practice in psychiatric mental health. According to the Oregon State Board of Nursing, there are about 130 NPs who indicate that they are self-employed, although the data is not as clear as it could be. A recent survey of 1900 NPs conducted by the Nurse Practitioners of Oregon/Oregon Nurses Association shows that about 12 percent of respondents are either solo business owners or partners.

Also from our 2012 survey, 15 percent of our sample reports reduction in their reimbursement since July 2009. Based on this, our estimate is that 200 to 400 Nurse Practitioners in Oregon have experienced reimbursement cuts from private insurance since 2009. In our experience, these cuts are most likely to have occurred when the Nurse Practitioner is in solo practice or a small group practice.

HB 2902 A:

Several changes have been made to this legislation from versions introduced in previous sessions.

First, this bill deals only with primary care and mental health services in the private insurance market. This responds to the areas where we've seen the most cuts and also addresses areas where we face access issues and where the goals of health care transformation are most clearly focused.

The proposal requires that the same reimbursement is made for the same mental health or primary care service, whether it is provided by a Physician, a Nurse Practitioner, or a Physician Assistant. This bill does not change the scope of practice of any provider.

For example, if a Nurse Practitioner sees a patient for management of high blood pressure and makes changes in medication, counsels for dietary changes and discusses weight management interventions and a Physician does the same, our proposal would require the carrier to pay the same amount because the Nurse Practitioner and Physician would be billing with the same codes. If one of the providers, a Nurse Practitioner or a Physician, treats a more complicated patient, and the coding and reimbursement reflects that, the Nurse Practitioner and Physician would be reimbursed at different levels because they would be providing different care.

Secondly, this bill includes Physician Assistants who are an important component of our primary care capacity.

There has been a recent significant change in billing, specifically in relation to mental health services. In the past, we've heard concerns that the billing codes for mental health were broad and could not take into account complexity of the patient or the knowledge base required of the provider. Earlier this year, the billing system for mental health was revised, and mental health providers, whether Psychiatrists or Psychiatric Mental Health Nurse Practitioners now bill based on a variety of factors, including services provided, time spent with a patient, and patient complexity. In short, the new coding system more accurately reflects the services provided to the patient. The billing for a straightforward case is now billed under different codes than the billing for a complicated patient with multiple comorbidities.

This bill deals only with private insurance, and doesn't deal with Medicare or Medicaid. As Oregon continues its work to reform our health care system and cover more individuals, provider capacity will become more and more important if we are to achieve access, cost and quality goals. It will not be possible to expand our primary care system as well as integrate mental health without recognizing the importance of reimbursement policies. While we all are working toward a new reimbursement system that is not as reliant on fee-for-service—and is more reliant on patient outcomes—we need to solve the issues presented in this proposal at least for the short term.

ONA and our Physician Assistant partners have worked to narrow the policy contained in this bill in keeping with reform legislation passed by this body. Passage of HB 2902 A remedies a problem that health insurance companies have been unwilling to correct on their own.

Please support the passage of HB 2902 A.