



**Testimony Before the
Senate Health and Human Services Committee regarding HB 2902-A
Presented by Dr. Sharon Meieran
on behalf of the Oregon Medical Association
May 9, 2013**

Chair Monnes Anderson, Vice-Chair Kruse and members of the committee, thank you for allowing me to testify today. My name is Dr. Sharon Meieran. I am an emergency room physician and member of the OMA Legislative Committee.

HB 2902-A requires insurers to reimburse nurse practitioners and physician assistants at the same rate as physicians for the provision of the same primary care and mental health services. Many OMA members work side-by-side with both these health care professionals; indeed, many of our members employ nurse practitioners and physician assistants. They are a valuable part of the health care team and the patient care they provide is important to ensuring access to health care for all Oregonians.

We understand HB 2902-A seeks primarily to remedy reimbursement rate cuts to nurse practitioners that occurred in 2009. We support our nurse practitioner and physician assistant colleagues in their attempts to address this issue and have worked with them try and to find a solution.

However, HB 2902-A is not the right solution. While we appreciate the attempts to amend the bill to improve it in the House, this legislation is still not the right solution to the problem. The bill continues to mandate the same pay for independently practicing nurse practitioners and physician assistants in primary care and mental health, regardless of practice setting or location or the access needs of patients in that area. The bill defines “independent practice” in a way that includes virtually all nurse practitioners and physician assistants in the state, including those practicing under the supervision or employment of a physician.

There will be unintended consequences of undifferentiated reimbursements. Many of our members are concerned that this bill will place physicians in the same position as nurse practitioners were placed in 2009, when their reimbursement rates were cut. Nothing in the bill prevents a commercial insurer from *decreasing* a physician’s rates to align with that of a nurse practitioner or physician assistant. This unintended consequence negatively affects all three health care professionals without achieving the payment parity intended by the bill.

Decreasing reimbursement across the board for primary care services further disincentivizes the selection of primary care practice by newly trained physicians. This further erodes Oregon’s primary care physician workforce at a time when we need primary care physicians to fully participate in transforming our health care system.

HB 2902 will not increase access to care. Some suggest that HB 2902 will promote access to health care in rural communities. As written it will accomplish just the opposite. Oregon already faces a shortage of physicians. If we decrease their reimbursement rates, as we fear will happen under this bill, that shortage will only grow worse. Even if the mandated payment occurs without a reduction in reimbursement for physicians, we are very concerned that this mandated reimbursement will limit the state's recruitment efforts to attract new physicians, especially psychiatrists, to practice in Oregon.

We question how increasing reimbursement for all nurse practitioners and physician assistants, not just those located in rural areas, will increase access in rural areas. If increased access for patients in rural areas truly is the goal, the bill should mandate increases in reimbursement only for rural nurse practitioners and physician assistants.

Oregon should address the nurse practitioner/physician assistant reimbursement issue in a deliberative way. A workgroup addressing this issue, as suggested in the -14 amendments, can develop policy in a thoughtful way that incorporates the concerns and suggestions of all stakeholders on this issue rather than trying to legislate a solution in the midst of so many other challenging issues now before the legislature.

HB 2902-A with -14 amendments

- **The -14 amendments were proposed as a compromise to HB 2902-A.** This amendment temporarily adjusts NP and PA pay while a statutorily required workgroup meets to propose payment policy solutions that all stakeholders could agree upon.
 - The -14 amendment sets a reimbursement floor at 85% which does not limit an insurer from paying more if the NP or PA is already being reimbursed at a greater percentage.
 - In rural or medically underserved areas, the insurer must increase the reimbursement paid to the NP or PA to equal the amount paid to a physician and may not reduce payment to a physician to achieve parity.
 - Establishes an 11-member taskforce that will recommend a longer-term insurance reimbursement solution for PAs, NPs and physicians to the 2014 Legislative Assembly.
 - The temporary payment policy established in the -14 amendment will sunset on July 1, 2015 and will be replaced with the longer-term solution as recommended by the Taskforce.

I would like to thank you once again for the opportunity to address the committee regarding this very important topic and I'm happy to answer any questions.