



Testimony Before the
House Health Care Committee regarding HB 2902
Presented by Dr. Kathryn Lueken
on behalf of the Oregon Medical Association
March 1, 2013

Chair Greenlick, Vice Chair Keny-Guyer, Vice Chair Thompson, members of the committee, thank you for allowing me to testify today. My name is Dr. Kathryn Lueken and I am a member of the Oregon Medical Association. I am family practitioner at the Salem Clinic.

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

HB 2902 is not the solution. The bill mandates that insurers pay physicians, nurse practitioners and physician assistants the same reimbursement rates. It does not require that insurers restore or increase the reimbursement rates for nurse practitioners or physician assistants. There is nothing to prevent insurers from paying the same rates through a reduction in physician reimbursement; we believe this is far more likely than a restoration or increase in nurse practitioner and physician assistant rates.

HB 2902 is out of step with Oregon's health reform efforts. We are moving aggressively toward more efficient health care in this state and we recognize the advantage of team-based care in these efforts. Mandating reimbursement by the type of service provided rather than by provider type and expertise would limit the ability of medical clinics and hospitals to create physician-led teams that work collaboratively with each other and the patient to accomplish shared goals to achieve coordinated, high-quality, patient-centered care. Each team member practices to the extent of his or her training and recognizes that team-based care requires that each providers education and experience matters. Mandating the same reimbursement rates would limit the ability of medical clinics and hospitals to employ teams of health care providers and negatively affect Oregon's health reform goal of improved patient care and quality.

HB 2902 does not account for the significant differences between the training and expertise of a physician and that of a nurse practitioner or physician assistant. Physician training is a complex process with only one pathway to achieve a medical degree. Physician assistants

complete 26 months of training: 12 months of didactic coursework and 14 months of clinical training. Medical doctors spend 7-11 years in post-graduate training: 4 years of medical school, 3 years of residency and 2-4 additional years of fellowship for specialty practice. The extensive training of physicians allows for more complex, broader and deeper expertise when diagnosing and treating patients; expertise that is relied upon by patients and other health providers alike.

Undifferentiated reimbursements also do not account for the higher operating costs a physician incurs due to professional liability insurance premiums and licensure. Liability premiums for a family practice physician are much more expensive than for a family practice nurse practitioner. Physicians are held to a higher standard of care and due to the depth of knowledge are expected to absorb a higher amount of risk, even when seeing exactly the same patient as the nurse practitioner or physician assistant.

HB 2902 will not increase access to care. Some argue 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. One of the unintended consequences of this legislation is the disincentive equal pay may have on students considering a career in medicine. For example, paying a psychiatrist the same as a mental health nurse practitioner who has far less training and educational expense will not lead the college graduate to choose medical school.

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.

HB 2902 is too broad. The bill includes the limitation that the mandated reimbursements would only apply to primary care and mental health services, rather than all specialties. However, of the 2,715 practicing nurse practitioners in the state (per the Oregon State Board of Nursing), approximately 1,971 or 73%, of all nurse practitioners in the state provide primary care or mental health services. Further, we understand that not all nurse practitioners were subjected to a cut in 2009; this bill would cover nurse practitioners whose reimbursement was not cut.

HB 2902 is the wrong solution to the nurse practitioners' problem. It creates significant unintended consequences and may not result in increased nurse practitioner and physician assistant reimbursement. We look forward to working with these health care professionals to find a real solution.

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.