

House Committee on Health Care
Oregon State House of Representatives
900 Court Street NE
Salem, OR 97301

Re: HB 2902

Dear House Health Care Committee members,

I am an emergency physician, and I am writing in regard to HB 2902, the Nurse Practitioner/Physician Assistant Mandated Payment legislation. I have serious concerns about this bill from the standpoint of simple fairness, along with the negative real-life implications and unintended consequences for our health care system should this bill pass. Insurance companies (which created the problem of inequity in the first place) are the only entities that would benefit from passage of this bill, and it would be to the detriment of patients and providers. HB 2902 is an erroneous remedy that does not actually address the problem it was designed to solve.

Real-life Impact

Should HB 2902 pass, insurance companies are not going to increase reimbursement for NPs and PAs to equal what is paid to physicians. They will cut physician reimbursement. Given the current insurance model and the fact that these companies have nothing to gain by increasing NP and PA reimbursement, there is no other way that passage of this bill would play out.

As NPs and PAs will not receive increased income, any argument that not passing HB 2902 would have a chilling effect on NPs and PAs providing services, especially in rural communities, is moot. Nurses and PAs currently practice in these communities, and their reimbursement would remain stable. However, a decline in physician reimbursement WOULD be a disincentive for doctors to practice in these communities, and will have the effect of chilling the physician work force at a time when an increased physician work force is desperately needed in our state.

We need to encourage all levels of service providers in the new health system paradigm. To sacrifice physicians for NPs and PAs (or vice versa) would be disastrous for the system as a whole.

Fairness and Equity

Individuals are trained at different levels to provide different levels of service in every profession. People with more training and depth of knowledge are reimbursed for their extra background, training and expertise. This is true whether one performs skilled work such as carpentry (if one hires a master carpenter for a basic carpentry project, one would not expect to pay the same amount as for an apprentice), or offers a professional service. Even within the nursing profession

itself, different degrees confer different benefits and reimbursement for nurses. It is not clear why a separate and unique rule should apply here. The knowledge, expertise and assumption of risk brought to even the simplest task by doctors directly and substantially affects their assessment and treatment of patients.

This issue has been discussed with medical students, who face daunting hurdles to attend medical school, including the difficulty of the prerequisites, the cost, the MCATs, the grueling experience of residency training, and the outrageous student loans that must be repaid. If NPs and PAs receive the same reimbursement with no need to go through the rigorous academic and practical training, without student loans, and without significant medical liability concerns, it is truly unclear why anyone would choose to attend medical school.

Medical Liability

Medical liability is one of the most challenging aspects of being a doctor. Insurance premiums are unbelievably high, and jury awards, whether or not actually justified, are astronomical. Physicians have an increased depth of knowledge, and thus are held to a higher standard of care and absorb a higher amount of risk, even if they are seeing exactly the same patient as a PA or NP. If something goes wrong, liability exposure and jury awards are orders of magnitude higher than those of NPs or PAs. To allow for equality of reimbursement without equality of risk assumption is markedly unfair.

Conclusion

I believe that unilateral action by the insurance companies in lowering reimbursement rates for NPs and PAs created a grossly inequitable situation in provider reimbursement, and that situation must be addressed. However, it should not be in a blatantly unfair way that will devastate doctors in our state while simply maintaining the status quo for NPs and PAs (and actually enriching insurance companies).

Thank you for taking the time to consider my thoughts on this subject. I would welcome the opportunity to answer questions or clarify any aspect of this letter, and ultimately to work with nurse practitioners and physician assistants to develop a truly equitable solution to this problem.

Sincerely,

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