



PacificSource Statement in response to SB 231 and SB 609

Chair Monnes-Anderson and members of the Senate Health Committee, thank you for the opportunity to provide comments in regard to SB 231 and SB 609. PacificSource views Primary Care as a key building block for producing better health, better care and lower costs for Oregonians. We know that innovative care models with appropriately aligned reimbursement, and engaged members – are the essential elements of a transformed Primary Care system.

As an independent, not for profit health plan, we are committed to doing the right thing by our members and the communities in which we serve. As such, PacificSource has been an active participant in Oregon's health reform journey over the past several years. For example:

- In 2010, we stepped forward as the statewide carrier for the Healthy Kids Connect program.
- We have offered our assistance, in helping to design what has ultimately become, Oregon's Coordinated Care Organizations (CCO).
- We were founding members and actively participate as part of the Oregon Healthcare Leadership Council.
- We are a Qualified Health Plan in Oregon's Exchange, working to provide comprehensive, but affordable health insurance coverage.
- The unique Health Council model adopted by both of our CCO's, yields a robust and authentic vehicle for community decision-making and collaboration.

We highlight these examples to underscore the fact that we have been *voluntarily* coming to the table and partnering with providers, communities and the state, for years.

SB 231 and SB 609 offer good next steps. We look forward to the opportunity to learn with and from others, by participating in a payer-focused collaborative. Likewise, we endorse meaningful, aligned and non-duplicative evaluation. *However, we urge the committee, to resist the decision to mandate "Innovation Payments"*. The requirements outlined in both bills are unnecessarily prescriptive, administratively complex and could have the unintended consequence of stifling innovation – rather than promoting it.

Oregon's health system stakeholders have demonstrated an unprecedented willingness to collaborate, take risks and learn together. We believe a voluntary approach will create the most enduring framework and elicit continued creativity on the path to making Primary Care, the centerpiece of our healthcare system in Oregon.

Sincerely,

Ken Provencher, President and CEO PacificSource