

March 18, 2015

Senator Laurie Monnes Anderson, Chair
Senate Committee on Health Care
Oregon Legislative Assembly

Re: SB 440

Chair Monnes Anderson and Members of the Committee:

OSPIRG supports SB 440. This bill will contribute to Oregon's efforts to transform the health care delivery system by supporting alignment across the spectrum of health care with the goals of improved care and reduced cost.

By creating a single Health Plan Quality Metrics Committee and a coordinated set of quality measures for use by the Oregon Health Authority, the Public Employees Benefit Board and the Oregon Educators Benefit Board, SB 440 will help align incentives and set clearer benchmarks for health care providers and health systems across the state, while also reducing duplication of effort.

An overarching challenge to the transformation of Oregon's health care system is the fragmented nature of health care delivery and payment. Each of the major forms of public and private health coverage—Medicare, Medicaid, self-insured employers, large group, small group and individual health plans—are subject to different dynamics and regulations. This makes it virtually impossible for a single market segment to unilaterally spur reforms to the health care delivery system. The best way for the state to overcome this limitation is to encourage the different health care markets to coordinate their reforms with each other. SB 440 is the next step in that process.

We would urge the Committee to take SB 440 a step further by including the Department of Consumer and Business Services (DCBS) among the agencies and boards participating in the Health Plan Quality Metrics Committee.

As of this year, DCBS's Insurance Division has begun requiring health plans to submit quality data as part of the health insurance rate review process, and this effort could be made more effective if brought into alignment with other statewide efforts. With the passage of SB 1, DCBS has also assumed authority over Oregon's state-based health insurance exchange. While the exchange's future role in health plan quality measurement and rating is yet to be determined, DCBS should be at the table to make sure that all the major players work in tandem to encourage evidence-based strategies to lower costs and improve quality across the spectrum of health care in Oregon.

Thank you for your consideration.

Jesse Ellis O'Brien
OSPIRG Health Care Advocate