

April 22, 2015

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

Re: HB 2468A

Chair Monnes Anderson and Members of the Committee:

OSPIRG supports House Bill 2468A. This important legislation will give the Oregon Department of Consumer and Business Services (DCBS) tools it needs to protect consumers and hold insurers accountable for delivering meaningful access to needed health care services through their provider networks.

Consumers and consumer advocates nationwide are increasingly concerned about the impact of narrowing health insurance provider networks and the need for greater transparency and accountability to enable policyholders to access the care they need when they need it. While well-coordinated narrow networks offer some benefits and can be good choices for some consumers, current Oregon law provides little recourse to ensure basic access to services or access to accurate information about provider networks. Greater consumer protections and expanded access to actionable network information would go a long way toward protecting Oregonians from significant out-of-pocket costs in cases where consumers could use out-of-network services unknowingly or through no fault of their own.

HB 2468A is the product of a thorough year-long stakeholder process, and the bill represents an effort to balance many points of view on this important issue. Concerns and suggestions from many stakeholders were incorporated into the bill, and a number of key compromises were made with the aim of achieving a workable final product.

To take just one example, consumer advocates involved in the process have agreed to support the bill despite the decision to exempt large group plans from most of its requirements, leaving hundreds of thousands of Oregonians without access to key consumer protections. We believe that despite this exemption and other limitations, HB 2468A represents a step forward from an untenable status quo for Oregon consumers in the following areas:

Provider network transparency

Consumers should be able to expect that their insurer's provider directory is accurate and up-to-date, both during the shopping experience to ensure that they know what they are buying and after purchase, when seeking to access medical services. However, many recent reports and studies have documented widespread errors and outdated information in provider directories, leading to confusion and, in some cases, large, unexpected out-of-network charges.

I have personally heard from a number of OSPIRG members and other Oregon consumers about their difficulties finding accurate, actionable information about health insurance provider networks, including Matthew Mastrantuono, who was featured in a November article in the Oregonian.¹ Matthew did everything that could reasonably be expected of a consumer to ensure that his plan covered his specialty providers, but found himself unable to access the care he needed in-network. With stronger consumer protections for network transparency, fewer Oregonians will have to go through these kinds of barriers to access to care.

HB 2468A will give Oregon regulators the tools to begin addressing these problems by empowering DCBS to take action to hold insurers accountable for providing accurate, actionable and up-to-date information about their provider networks.

Provider network access

When consumers enroll in a health plan, they count on timely access to health care providers who can deliver on the benefits they purchased. Unfortunately, current Oregon law provides few protections to ensure that health plans offer a provider network that can provide covered services in a timely fashion.

HB 2468A will establish a framework to hold insurers accountable for providing timely access to needed care. Recognizing that an overly prescriptive framework could hold back innovation, including network designs and delivery system reforms aimed at coordinating care, containing costs and improving quality, HB 2468A empowers state regulators to adopt a flexible approach and provides insurers with a range of options for demonstrating the adequacy of their network of health care providers.

Under HB 2468A, one option for insurers will be demonstrating the adequacy of their network through a nationally-recognized standard, such as the federal government's standards for Medicare Advantage plans, based on clear quantitative time and distance standards for patient access to services. This time-tested approach will ensure a baseline of health care access.

However, since this option is highly prescriptive, OSPIRG also enthusiastically supports HB 2468A's other, "factor-based" option. Done right, such an approach can help encourage commercial insurers to implement health care delivery system reforms including advancing Oregon's coordinated care model. Even a factor-based approach must consider traditional quantitative measures of network adequacy such as time and distance, since such measures will always be an important part of the consumer experience of access to medical care, but in a factor-based approach these measures should be considered in a broader context of a care delivery system, and could be offset by demonstrating that the network delivers needed care through non-traditional means.

In conclusion, we urge you to support HB 2468A, a balanced, well-vetted approach to developing a framework to improve health insurance network access and transparency for Oregon consumers. Oregon lags behind many states, including our neighbors to the north and south, in having very few protections for consumers in this area. The need for action is clear, and HB 2468A is a step in the right direction.

Thank you for your consideration.

Jesse Ellis O'Brien
OSPIRG Health Care Advocate

¹ http://www.oregonlive.com/health/index.ssf/2014/11/as_health_insurance_networks_g.html