



Center for Human Development, Inc.

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May 1, 2015

To: House Committee on Health Care

From: Dwight Dill, Mental Health Director

Re: Support for Senate Bill 901

As the mental health director at a non-profit organization providing mental health and addictions treatment in Union County, I wholeheartedly support the passage of Senate Bill 901 requiring that insurance companies reimburse providers directly for medical, surgical and nursing services. In addition, I would strongly urge that addictions treatment be included in the services listed in the bill.

Historically our organization has had problems with companies sending reimbursement checks directly to patients for services provided "Out of Network" even when the patient has authorized assignment of benefits. This has been very problematic because the patients will frequently cash the checks and then not pay for the services. The insurance companies who do this are unwilling to provide any information to our billing staff about the payment, resulting in countless unnecessary hours attempting to collect for services. Even more problematic are cases like the following:

Example: An adult in his early 20s has Oregon Health Plan (OHP) coverage, but he is also still covered under his parent's private insurance which is considered primary and we are required to bill the private insurance before billing OHP. The insurance company was billed approximately \$4,000 for outpatient addiction treatment services, but the \$1,600 insurance payment was sent directly to the patient's parent who cashed the checks and kept the money. However, OHP will only pay any remaining amount if we can supply a detailed Explanation of Benefits from the insurance company, which we don't have because the insurance company won't provide it to us.

Unfortunately, this situation is not unusual, and it results in thousands of dollars of lost revenue that ultimately contributes to rising health care costs. As an addiction treatment program, we are also concerned about the impact of an individual, in recovery, getting a "windfall" check for several thousand dollars. This increases their relapse potential and may negate the treatment services delivered. For these reasons, I am urging that Senate Bill 901 be passed, with the inclusion of addictions services.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Dill', written over a horizontal line.

Dwight Dill, MS, CRC
Mental Health Director