

June 5, 2015

Co-Chairs Senator Bates and Representative Nathanson, and Members of the Committee:

As the new President and CEO of St Charles Health System in Central Oregon, I am keenly aware that Oregon is a national leader in healthcare transformation. The opportunity to be part of meaningful transformation of all aspects of healthcare informed in my decision to come to Oregon and be part of the exciting, challenging new world we are co-creating with the policy-makers, thought leaders and people we serve each day in our hospitals. Developing innovative ways to provide individual care to our diverse population in the context of a static payment model is tough—and we have to figure out how to do this in order to keep healthcare sustainable.

As part of this transformation, we as hospitals need to change how we provide information to the people we serve in advance of the care they receive. For that reason, St Charles has committed to the vision Oregon's community hospitals have undertaken: a three-part initiative to improve price transparency now. The three elements are:

- **LEGISLATION:** SB 900, a bipartisan bill moving through the legislative process in Salem, calls for a website, run by the Oregon Health Authority, that would use state-collected data from the existing All Payer All Claims database to display median prices paid for common hospital inpatient and outpatient procedures. This website would give patients the ability to understand what the typical cost of a particular procedure would be, as paid by insurers.
- **GOOD FAITH ESTIMATES:** A commitment by Oregon's hospitals to assist Oregonians who are paying for their own care (or for out-of-network services not covered by their health plan) in getting a good-faith estimate from any hospital for the cost of a scheduled procedure upon request.
- **WORK WITH INSURERS:** A commitment to working hand-in-hand with insurers via the Oregon Health Leadership Council (OHLC) to help patients who have insurance to understand what their out-of-pocket expenses will be. This information would be based on their insurer's contract with a particular hospital or provider, along with information from the patient's insurer as it pertains to their particular insurance coverage.

With 95% of Oregonians currently insured, the first step for most would be a conversation with their insurer, who could explain to them what their responsibility might be for a particular procedure. For the 5% of Oregonians who don't have insurance, they will be able to call their hospital for a good faith estimate, including any financial assistance they are eligible for. These are actionable steps that can be taken now, improving transparency and providing Oregonians the information they have been asking for.

SB 900 is now in your committee, due for hearing on Monday. Please support the commitment St Charles Health System and all Oregon hospitals have made to better serve our State. **Please move SB 900 with a do-pass recommendation to the full Ways and Means Committee.**

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Thanks for all you do for Oregon. We remain committed to working with you to improve the health, care and value of healthcare for all Oregonians. If you need more information, please contact Robin Henderson, Vice President of Strategic Integration at rhenderson@stcharleshealthcare.org or by phone at 541-610-9179.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joseph Sluka".

Joseph Sluka,
President and CEO
St. Charles Health System