



## Oregon Nurses Association SB 1503 Nurse Practitioner Payment Parity

Nurse Practitioners and Physician Assistants play a critical role in delivering health care to patients in every corner of Oregon. In the face of national health care reform and Oregon's move toward community based care that emphasizes primary and preventive services, our citizens are growing more and more reliant on advanced practice nurses and physicians assistants to provide high-quality, cost-effective care. Oregon's payment parity law helps retain and grow this important workforce.

### **Background**

In 2009, one of Oregon's largest insurance companies decreased reimbursement rates for mental health services rendered by non-physician providers. Other insurance companies quickly followed suit, resulting in significant reimbursement cuts. This caused a ripple effect throughout the mental health industry and posed serious barriers to the ability of providers to maintain their practices and continue to serve Oregonians with mental health needs. Soon after, Nurse Practitioners and Physician Assistants in primary care started receiving notice from insurers that their reimbursement rates would also be reduced. These cuts were based solely on provider type, not on outcomes or the care provided.

### **Problem**

Cuts in mental health and primary care reimbursement jeopardize patient access to care, the viability of provider-run small businesses and clinics that employ Nurse Practitioners and Physician Assistants, and undercut Oregon's stated goal of shifting to a health care system that focuses on primary and preventive care. Eighty two percent of Oregon Psychiatric Mental Health Nurse Practitioners surveyed in 2011 reported a reduced capacity to provide care to mental health clients as a result of reimbursement cuts. These problems continued to grow as cuts expanded to primary care through 2013. When access to health care services is limited, patients tend to enter the system through the emergency room, after conditions have worsened, driving up costs for everyone.

These reimbursement reductions imply that providers, such as Nurse Practitioners, perform services that are less valuable than their physician counterparts. Oregon's Nurse Practitioners have earned a broad scope of practice and, in the majority of cases provide the same evaluation and management services, and bill insurance companies using the same billing codes as their physician colleagues. Additionally, decades' worth of research has consistently found that outcomes of patients treated by Nurse Practitioners are comparable, and in some cases better than outcomes of patients treated by physicians.

### **Solution**

The 2013 legislature passed House Bill 2902 to address this issue. This statute now requires insurers to reimburse Nurse Practitioners and Physician Assistants the same rate as physicians when they are providing the same primary care and mental health services, billing under the same codes, and using their own national provider number (NPI). Equitable reimbursement for these providers allows access to care for Oregonians, and ensures fair treatment to Nurse Practitioner and Physician Assistant-run small businesses, and clinics that employ Nurse Practitioners and Physician Assistants, and better aligns with Oregon's health care reform goals. HB 2902 also created a task force to study this issue and make recommendations of other policies that could ensure fair treatment of providers and increased access to primary care and mental health services. The law is scheduled to sunset in 2018.

## **The Joint Interim Task Force on Primary and Mental Health Care Reimbursement**

The Joint Interim Task Force on Primary and Mental Health Care Reimbursement created by HB 2902 in 2013 was charged with studying and making recommendations regarding fair payment structures for *ALL* primary care and mental health practitioners, and asked to look at policies that Oregon could utilize to further promote and expand access to primary and mental health services.

The task force met for over a year and submitted a report back to both the House and Senate Health Care Committees during the 2014 and 2015 Legislative sessions. The group concluded their services without recommending any policies specific to Oregon's payment parity law, but encouraged the legislature to continue to explore more ways to create additional primary care and mental health provider capacity in Oregon, and continue to pursue alternative payment models for the entire health care system.

Simultaneously, the Department of Consumer and Business Services (DCBS) conducted an audit of current insurer rates and practices to evaluate compliance with the statute. The audit has since been completed and, after surveying 13 prominent insurers, all attested that they were now in compliance with the law and rates have been restored for NP's and PA's who operate as independent providers. In addition, insurers reported minimal difficulty in complying with this new law, outside of some slight initial issues cited with distinguishing between "independent practice providers" from others.

## ***The Oregon Nurses Association and Nurse Practitioners of Oregon urge your support of SB 1503***

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