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April 6, 2017

The Honorable Monnes Anderson  
Chair, Senate Committee on Health Care  
State Capitol  
Salem, Oregon 97301

RE: Senate Bills 934 - Increasing investment in primary care

Dear Senator Monnes Anderson and members of the committee:

Providence Health & Services and Providence Health Plan are strong proponents of efforts to make patient-centered medical home a sustainable endeavor for clinicians and health plans across the state. We believe a comprehensive, statewide strategy that leverages investments in primary care to produce higher quality care and better patient outcomes is fundamental to Oregon's continued success in health care transformation.

Providence is uniquely positioned to understand the complexities of developing a comprehensive primary care reimbursement strategy that appropriately manages risk for both providers and payers. For this reason, we have continued to reinforce that any statewide strategy should include the following core principles.

**Consistent with Oregon's quality improvement strategy**

As we transition to Value Based Payment, establishing a consistent quality improvement strategy allows providers to align workflows and reduce reporting complexity, it ensures health plans are paying for improved health outcomes and allows data to be aligned/aggregated across providers and health plans statewide. The Health Plan Quality Metrics Committee, recently established within OHA, should be considered the backbone for these efforts.

**Financially viable for providers and payers**

It is important that the payment model is actuarially sound and financially viable for both payers and providers – allowing contracting flexibility based on any number of factors including region, members assigned and acuity of those members. Focusing solely on total payer investments, without aligning those investments with outcomes and reduction in the cost of care is counterproductive.

**Promotes adoption of proven Value Based Payment models**

A statewide strategy should encourage and reward entities participating in VBP models that are proven to work well and promote Oregon's broader health care transformation goals like behavioral health integration and access to traditional health care workers. Primary care providers that are implementing these models in their practice do so for all patients they serve, not just patients covered by participating payers - success and sustainability depends on participation by a significant mass.

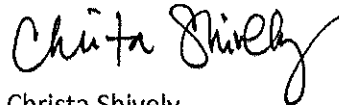
Although Providence has not seen amendments to Senate Bill 934, based on discussion at the last Primary Care Payment Reform Collaborative meeting and follow-up materials capturing suggested amendments – we are confident the principles noted above will be incorporated in the bill. We appreciate the work of legislative leaders and the Oregon Health Authority to see this process through and support moving forward with the work of the Collaborative as outlined in the amendments.

Thank you for your consideration and the opportunity to provide our feedback.

Sincerely,



Robin Henderson, PsyD  
Chief Executive, Behavioral Health  
Providence Medical Group



Christa Shively  
Sr. Director, Quality and Medical Practice Integration  
Providence Health Plans