



March 4, 2019

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

RE: Senate Bill 765 - 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 primary-care medical home a sustainable endeavor for clinicians and health plans across the state. We believe in a comprehensive, statewide strategy that leverages investments in primary care to produce higher quality care and better patient outcomes – to this end, we have been active members of the Primary Care Payment Reform Collaborative since its inception in 2017.

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 urge the Committee to consider the following.

Definition of “total medical expenditures”

Senate Bill 765 significantly changes the definition of “total medical expenditures” in a way that is inconsistent with the recommendation by OHA’s technical committee. By including prescription drugs in the total expenditure, instead of excluding them like we have in the past along with vision care and dental care, health plans will be unable to meet primary care spend targets due to growth in new, high cost pharmaceuticals. Further, the inclusion of these high cost drugs in the total medical expenditures would not provide an accurate measurement of the proportion of medical dollars spent on primary care. The current statutory definition of “total medical expenditures” should be maintained.

Adoption of proven Value Based Payment models by providers

Understanding that this bill is focused on carriers, we encourage the state to encourage and reward providers participating in VBP models that are proven to work well and promote shared goals, like behavioral health integration. Success and sustainability of these efforts depend on participation by a significant mass of primary care providers committed to implementing these models and adopting this strategy long-term.

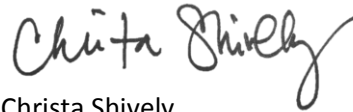
We appreciate the work of legislative leaders and the Oregon Health Authority to see this process through and support moving forward with the work of the Collaborative.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Robin Henderson". The signature is somewhat stylized and scribbled.

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

A handwritten signature in black ink, appearing to read "Christa Shively". The signature is written in a cursive, flowing style.

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