

March 5, 2019

Chair Andrea Salinas
House Committee on Health Care

Dear Chair Salinas and Committee Members,

I am writing today on behalf of Moda Health Plan in order to express concern with provisions in HB 2845.

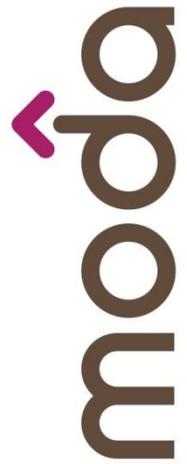
As a Health Care Service Contractor, Moda Health Plan provides benefits for over 300,000 Oregonians, including state teachers in the OEBC population, state employees in the PEBB population and Medicaid members in the Eastern Oregon CCO. In this capacity, we are asked deliver on the triple aim of helping ensure the delivery of better care, better health and lower costs. Our provider networks are one of the essential tools that help us meet this goal.

The modifications to ORS 743A.080 under Section 1, as they related to coverage for maternity services, do not concern us. We currently cover maternity care under our Health Benefit Plans in a hospital, freestanding birthing center or at home, as long as the services are medically necessary and the provider is practicing within the scope of his or her license. Coverage varies by plan and would be provided under either the in-network benefit or out of network benefit depending on whether the provider participates within the network for a particular plan and whether the plan provides coverage outside of our network.

We oppose any provisions that mandate reimbursement or network credentialing requirements for health plans, such as Section 1, subsection 3d and subsection 4. Health plans must have control to contract with providers who support their credentialing standards, which include education, malpractice and other requirement to ensure the quality of services provided within the network.

With regard to reimbursement, health plans must be able to negotiate with providers for in-network coverage based on their own network standards. The contracting process needs to account for differences between providers, such as the fact that some providers might have lower cost structures than others. For example, birthing centers do not maintain the same technology and staffing as hospitals must in order to address higher-risk and emergency births. This could drive a difference in the way a health plan approaches reimbursement for a hospital versus a birthing center and as such health plans should have flexibility to factor this into their contracting discussions.

Thank you for the opportunity to comment on this proposal.



modahealth.com

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Sincerely,

A handwritten signature in black ink, appearing to read "Dave Nessler-Cass". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dave Nessler-Cass
Chief Compliance Officer and Director, Regulatory Affairs
Moda Health Plan, Inc.

