

Providence Health & Services
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March 25, 2019

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

RE: Senate Bill 889 – Health Care Cost Growth Benchmark

Dear Senator Monnes Anderson and members of the committee:

On behalf of Providence Health & Services, thank you for the opportunity to share our support for Senate Bill 889, with amendments.

The health care environment in Oregon continues to change rapidly. A significant part of this change revolves around pricing. Provider reimbursement that was once entirely fee-for-service has become a hybrid with the adoption of global budgets and accountable care models. Health systems like Providence have done immense work to minimize cost increases and are increasingly paid based on performance and at-risk for the cost of care. While this progress serves our patients and community well, it can make calculating health care costs more difficult.

As a member of the Joint Interim Task Force on Health Care Cost, we considered an array of data and strategies – including the Maryland model. What we found was that in order for Oregon to achieve our desired outcomes, we need a strategy that is aligned with our unique health care system and values.

Senate Bill 889, with amendments, is that policy solution and we look forward to continued collaboration with the Oregon Health Authority to implement a Health Care Cost Growth Benchmark program. We encourage the committee to join us in support.

Sincerely,

A handwritten signature in black ink that reads "William Olson". The signature is fluid and cursive, with a long horizontal stroke at the end.

William Olson
Chief Operating Officer
Providence Health & Services - Oregon