

## Testimony in Opposition to SB 765

Chair Salinas and Members of the Committee:

The undersigned health care providers and members of the Oregon Health Authority's (OHA) Primary Care Payment Reform Collaborative (the Collaborative) write today to continue our support of efforts to improve access to quality primary care in the state of Oregon. However, we write today in opposition to SB 765.

The Legislature helped establish the Collaborative through SB 934 (2017); participants in the Collaborative currently include stakeholders representing multiple aspects of the health care industry: CCOs, commercial carriers, hospitals and health care provider associations. One of the main goals for the Collaborative is to discuss how best to increase investment in primary care without increasing costs to consumers or increasing the cost of health care. This goal is not easy to achieve; however, we are proud of the ongoing (and heavily facilitated) conversation that this group has participated in an effort to achieve this goal.

Many collaborative members agreed that more conversation would be necessary before legislation might be appropriate. While we believe that SB 765 may be well intentioned, this legislation works against the expressed intent of the collaborative. At this point in time, it is not clear that the investment mandated in SB 765 would benefit Oregon's health care system in the most equitable or efficient way.

Many members of the Collaborative voluntarily participate in this effort because of the complex nature of this issue; we know that ongoing conversation is needed to figure out what level primary care spend is appropriate for our health care system, and we want to make sure that accurate methodology is used to determine the level of primary care investment. We are proud of the first few efforts that have come from the Collaborative, but we think there is more work to do before legislation is appropriate.

SB 765 is concerning because the success of this legislation is dependent on functionality within Oregon's health care system that we are working towards, but does not currently exist. Specifically, Oregon's coordinated care model does not have a payment structure that allows the potential savings from investment in one part of the health care system to be redistributed to other parts of the health care system. CCOs continue to work with the OHA to develop true global budgets that allow CCOs to capitalize on efforts to save the system money through the redistribution of savings to the parts of the health care system that need investment most.

Unfortunately, the coordinated care model does not yet contain truly global budgets. This means that the increased investments called for in SB 765 will require the movement of money from a different part of the health care system (Behavioral Health, Oral Health, Social Determinants of Health efforts etc..) to primary care without the benefit of sharing the potential savings of this investment.

The complicated nature of this issue is exactly why the Collaborative was initially established; to improve access to primary care in Oregon without increasing costs to consumers or to the system. This Collaborative must also protect the system from the potential of lopsided investment to the detriment of other health care stakeholders. We believe that this conversation is important, and hope to continue the conversation outside of the legislature.

Thank you for this opportunity to testify on this important issue; we look forward to working with all stakeholders to make sure primary care is adequately funded to the benefit of the whole system.

