Greetings Task Force,

Thank you for your work on this important challenge.

For five years, I worked for an ER surgeon in the Portland metro area. I processed and analyzed five million dollars in charges, organized patient care for thousands of patients, using vastly different CPT/icd9/icd10 codes, with all the major insurance companies, coordinated with the ICU, facilities, hospitals, referral providers etc.

With the help of thousands of contacts in healthcare and my community, I wrote an outline for a national hybrid healthcare plan. It's attached below. Clearly this is a shortened outline that highlights the major pain points and solutions. I think it could be adjusted to fit Oregon on a state level.

Here's the condensed version:

In order to fix a problem you have to understand it. Healthcare is expensive for three main reasons:

1. Charge rates are raised based on what the highest paying insurance company will pay for any given code. Meaning if a hospital charges $10 but one insurance company would've paid $100, the hospital leaves $90 on the table. If we see a code come in 100% paid, we raise the charge rate. Insurance companies have mass data on what codes will cost them per year. Yo-yo'ing (vastly underpay on some codes and overpay on others, keeping their overall costs the same) pay rates makes hospitals and doctors raise charge rates which pushes people into buying insurance.

2. Paying clinicians based on productivity/billable RVU's. This practice incentives unnecessary billables.

3. It takes an army of staff to navigate prior authorizations, check covered icd10/CPT codes (and their corresponding pairing), teaching patients how to figure out (as much as possible) what their costs will be, and submitting/appealing claims.

Solutions:

1. Create a national hybrid healthcare system with min & max charge/payable rates that would range from the lowest public plan option amount, to 5x's higher. Or would have a 5x's span for all codes not covered by the public option. This helps restrict insurance companies from artificially inflating charge rates by yo-yo'ing payable amounts.

2. Don't allow clinicians to be paid by hospitals/facilities based on which codes they use.

3. One of the biggest things we can do to *Reduce healthcare costs AND increase quality/safe care, is create a universal EHR (Electronic Health Records) and PM (Practice Management) billing, prior/retro authorization and insurance coverage check system.

There are tangible policy changes that can happen now. For instance: Force doctors, hospitals and insurers to process all claims in the ER and ICU as 'in-network'. Currently if an on-call specialist is called in to treat a patient, there's little ability for a patient to avoid getting charged out of network. That's wrong and should be fixed ASAP.

Kind regards,
Amy Erdt

Please see the attachment.