



March 31, 2021

The Honorable Deb Patterson
Chair, Senate Committee on Health Care
State Capitol
Salem, Oregon 97301

RE: Senate Bill 772 – Naturopathic physician payment parity

Dear Senator Patterson and members of the committee:

Providence Health Plan is committed to ensuring that Oregonians have access to high-quality, affordable health care. Provider networks are an important component to a member's ability to access services and Providence Health Plan partners with our providers in order to create networks that are high-quality, affordable and responsive to the needs of our members and the communities we serve.

Providence Health Plan recognizes and appreciates the role that Naturopathic physicians (ND), play in the care continuum, but we oppose any policy that would eliminate our ability to create and maintain quality provider networks in a cost efficient manner. By requiring payment parity between services delivered by NDs and physicians (MDs), Senate Bill 772 does just that. For this and the reasons stated below, Providence opposes this bill.

Payment parity is contrary to the State's goal to contain health care costs

SB 772 would require health insurers to pay NDs that bill on a fee for service basis, the same amount as paid to a MD performing the service in the area served. This would contravene our efforts to provide services in a cost effective manner and result in health insurance premium increases for several reasons.

First, the parity requirement itself will increase the overall cost to provide medical care by increasing provider reimbursement without any corresponding increase in value. Second, insurers are permitted to vary reimbursement rates among providers to reflect differences in licensure type, education, training, geographic area served, etc. This practice is appropriate to ensure that we have a sufficient number and mix of high-quality providers necessary to meet the needs of our members. NDs perform many of the same services as MDs, however, the license types are not exact equivalents. MDs have additional training in the form of residency requirements that are not required for ND licensure. Therefore, reimbursement rates should be able to reflect this difference in order to ensure that we are able to attract and retain high-quality MDs throughout the state.

Further, the bill conditions the receipt of payment parity for NDs on the rendering of services on a fee for service basis. This provision would impede the efforts of insurers to move towards value-based care and alternative payment methodologies by creating a perverse incentive for NDs to continue to bill on a fee for service basis. It also ignores the efforts of NDs that currently participate in group practices that focus on providing integrated, value-based care.

SB 772 mirrors HB 2673, which was heard in the House and not moving forward. The Senate should follow suit and not advance SB 772. Thank you for the opportunity to provide comments. We look forward to further discussion.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Gluckman". The signature is fluid and cursive, with the first name "R." and the last name "Gluckman" clearly visible.

Robert Gluckman, M.D., MACP
Chief Medical Officer for Providence Health Plans