

Providence Health & Services
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March 22, 2023

The Honorable Rob Nosse
Chair, House Health Care Committee
State Capital
Salem, Oregon

Re: HB 2878 - Aligning for Health Pilot

Dear Representative Nosse and members of the committee,

On behalf of Providence Health & Services, thank you for the opportunity to provide comments on House Bill 2878, also known as the *Aligning for Health Pilot*. Providence is an integrated health care system providing services to patients across the continuum of care and insurance coverage to members across Oregon markets. Driven by our Mission and commitment to lower cost, improve quality and increase access - Providence's advocacy priorities have long included support for innovative care models that incentivize population health outcomes.

For several years Providence has had the pleasure to work with Rep. Dexter, and a range of stakeholders, on the concepts outlined in House Bill 2878. Throughout these discussions Providence has expressed support for the objectives to achieve a true population health model that improves quality, holds health care costs to sustainable levels, addresses inequities and allows providers and health plans flexibility to meet those goals. While Providence understands and supports the objective, we have raised questions about the bill and how it could be operationalized.

Our primary concern with House Bill 2878 is the sustainability and scalability of the model proposed. Value-based contracting models, shared quality measures across payer types, and collaboration between payers and providers are already strategies Oregon has implemented. The reason moving toward the model suggested is so difficult, is because there are serious potential consequences if not executed properly. Implementing true, outcomes-based payment models requires the parallel implementation of care redesign and clinical integration to make them sustainable and meaningful. Assuming all providers in a region can continue operating as they currently do, and that consumers would have the same choices, is not consistent with our experience operationalizing similar models across communities over the last 10 years.

We sincerely appreciate the collaborative nature of this conversation to-date and look forward to participating in future discussions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristen Downey".

Kristen Downey
Executive director, government affairs – Oregon
Providence Health & Services