

Support for HB3242

Chair Nosse, Vice-Chairs Javadi and Nelson, and Members of the Committee:

My name is Ed Diehl, and I am the State Representative for House District 17, which spans East Salem through the majestic Santiam Canyon. Thank you for the opportunity to speak in support of House Bill 3242.

This is a simple, straightforward change to our existing credentialing legislation that will provide significant benefits to providers and will increase access to care, especially to primary care providers.

First, a quick note on what credentialing is: When a provider, such as a medical doctor, goes to work for a new clinic or hospital, they must be credentialed by the insurance company. This is the process used to verify a physician's qualifications, professional history, and competence to provide patient care. Each insurance company does it a bit differently, and credentialing is a federal government requirement.

Currently, the existing statute says that an insurer **may** pay claims for medical services provided during the credentialing period **at out-of-network rates**. This means that during the credentialing period, the provider gets paid at a reduced rate, or not at all. And since the credentialing period can last 90 days or more, many providers are either not seeing patients during that time or are eating the cost difference between in-network and out-of-network.

After researching this situation, and discussing it with both providers and insurers, we discovered that it is extremely rare that a provider, who is entering an established in-network practice, is not credentialed.

So, House Bill 3242 bill makes a simple change that the insurers and providers I have spoken with find acceptable: It requires health insurers, during the credentialing period, to pay providers who are joining an in-network practice the same as in-network providers. This assures patients are being served as quickly as possible, and providers are fairly compensated.

As I stated is it rare for a provider to be found ineligible. But since it can happen and since it is also possible that someone may leave before completing credentialing, insurers have asked us to clarify our bill language stating something like:

If a provider either fails to submit a complete application after notification by the insurer or is found to not meet credentialing criteria, that facility is responsible for repayment of the difference between in-network and out of network rates.

We are fine with that language or similar.

Some providers are here to give you more details on why this is a simple but important change for them.

Regence and PacificSource have both told us they are neutral on this bill with proposed clarifying language.

I urge your **YES vote on House Bill 3242.**
