

Submitter: Lorraine McKenzie LCSW  
On Behalf Of:  
Committee: House Committee On Behavioral Health  
Measure, Appointment or Topic: HB4028  
Date: 02/03/2026  
Submitter: Lorraine McKenzie M.S.W., L.C.S.W.  
Subject: Support for HB 4028 – Protecting Mental Health Providers and Patient Access

Dear Chair Pham and Members of the Behavioral Health Committee

This letter concerns House Bill 4028.

I am a licensed clinical social worker who has been working in the mental health field in various capacities for over two decades. I am the owner and sole provider at my private practice, serving up to 40 clients per week, 95% of who qualify for Medicaid. Since starting my private practice, due to concerns regarding unfair auditing practices, I have reduced the number of insurance carriers I work with from nine to 3.

HB 4028 recognizes that insurance companies currently hold disproportionate power over small and solo mental health providers. It acknowledges the growing pattern of retroactive denials and recoupments for legitimately delivered services, and it takes meaningful steps to address this imbalance.

Currently, excessive and unfair auditing practices on the part of health insurance companies are making our work as social workers extremely difficult. In many cases these practices are driving social workers out of this very important profession, which results in limited access to services for many Oregonians. Especially now, as we continue to feel the effect of the COVID pandemic and the reduction of federal behavioral health dollars, people need affordable access to mental health services - exactly the wrong time to be driving care providers out of the field. I have spoken to many practitioners in Oregon who have shared they are declining to renew their contracts out of a very real fear insurance companies will initiate unjust audits and clawback the money that the providers have rightfully earned. I am witnessing many of my colleagues moving away from accepting any insurance plans at all and moving completely to private pay, due to the overuse of unnecessary audits and clawbacks. I personally have spent countless hours pursuing one Community Care Organization (CCO) and one commercial insurer (spending over 25 months) and still did not receive payment for services provided. I have also survived, at great financial cost, one CCO audit that went back three years. And, as I'm sure you know, by virtue of the number of testimonial letters received, I'm not the only one encountering these difficulties. HB 4028 will require each commercial insurer and Community Care

Organization (CCO) to provide clear directions to individual mental health providers submitting behavioral health claims, defining exactly what must be included in their documentation to avoid recoupment. This will reduce the overall number of recoupments in audits and ensure adequate provider enrollments in health plans. Our community members do not have adequate access to mental health care as it is.

By establishing reasonable protections and clearer standards, HB 4028 will help providers remain financially stable, continue serving insured clients, and focus on what matters most: delivering high-quality mental health care to Oregonians. This bill supports both providers and the communities we serve.

I urge you to take action on this very important issue. Please ensure that HB 4028 is passed. Oregonians with mental health challenges are already woefully underserved. Thank you for the opportunity to let the Committee know about this important issue. Your support of HB 4028 has the potential to help many thousands of Oregonians state-wide. I hope you will work with us to remedy this situation.

With respect,  
Lorraine McKenzie M.S.W., L.C.S.W.