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February 22, 2013

Health Share of Oregon Comments on HB 2522

Members of the House Committee on Health Care:

Thank you for the opportunity to comment on House Bill 2522, which would require coordinated care organizations (CCOs) to maintain a network of providers from each licensed health care profession in the state, redefine network adequacy, and limit CCOs' flexibility to set reimbursement rates for certain services. CCOs contract with the State to provide high quality, high value, coordinated care to Oregon Health Plan (OHP) members. Health Share of Oregon is the state's largest CCO, serving approximately 165,000 members in the Tri-County region. Health Share was created through collaboration of 11 existing organizations that serve OHP enrollees: Adventist Health, CareOregon, Central City Concern, Clackamas County, Kaiser Permanente, Legacy Health, Multnomah County, Oregon Health & Science University, Providence Health & Services, Tuality Healthcare, and Washington County. Health Share is organized as a private non-profit corporation.

Health Share finds HB 2522 to be overly prescriptive and unnecessary. CCOs were designed to be independent community health care delivery systems built around the needs of the patients that they serve. In order to stay true to that design, CCOs should be permitted to develop the best possible provider networks to meet the needs of their patients. To that end, decisions about which providers to contract with for services and the nature of those contracts should be left up to the CCOs. Furthermore, the specific providers mentioned in the legislation have distinct educational and credentialing processes and warrant individual consideration by the CCOs in contract negotiations.

Health Share of Oregon is confident that its members benefit from a robust network of providers from diverse backgrounds and that Health Share patients have access to the types of licensed health professionals that they desire to see. As such, this legislation is unnecessary.

Thank you for the opportunity to express Health Share of Oregon's concerns with HB 2522.

Respectfully submitted by David Labby, MD, Chief Medical Officer

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