February 16th, 2015

Honorable Representative Mitch Greenlick Chair, Committee on Health Care Oregon House of Representatives Oregon State Capitol 900 Court Street NE Salem, OR 97301

RE: House Bill 2468, Provider Network Adequacy

Dear Chair Greenlick and Members of the Committee,

On behalf of Moda Health, I want to thank you for the opportunity to provide comment on HB 2468. Moda Health is proud to serve over 350,000 Oregonians enrolled on our medical plans. Most of those plans provide coverage for medical services through a network of contracted providers. Our networks allow us to partner with providers to improve the health of our members and ensure that quality standards are met and costs are managed appropriately.

We share Insurance Commissioner Cali's desire to balance the need for clear standards regarding network transparency and adequacy with the need to encourage continued network innovation. We appreciated the opportunity to participate in the inclusive Advisory Committee established by Commissioner Cali to work on this initiative and are comfortable, for the most part, with the framework set forth in HB 2468, as amended by the first (dash 1) amendment.

For Moda, network innovation means building partnerships with providers to cover high-quality services under health plans that are affordable to consumers. We are actively working with providers across the state to develop these partnerships. These discussions are dynamic because the health care environment is changing more quickly than ever - particularly in these first years of the transformed individual market under the Affordable Care Act. Our goal is to work with Oregon policymakers on network standards that are adaptable enough to accommodate both the networks we are using today and also those that we will need to establish in the next five years to continue striking the right balance between access, quality and affordability.

A DELTA DENTAL





With innovation in mind, we respectfully request the ability to work with Commissioner Cali and her staff to refine the factor-based standard proposed under Section 2, sub section 4 of the bill. The factor-based approach is an important component of this proposal. It allows an alternate means of compliance to accommodate innovative networks that do not conform to the national standard established by rule. We would like to include language that recognizes the need for innovative approaches and protects an insurer's ability to develop networks around the provider partnerships described above.

Thank you again for the opportunity to comment on this proposal. Should you have any questions, please let me know.

Respectfully,

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Dave Nesseler-Cass Director of Regulatory Affairs Moda Health Plan, Inc.

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Jim Francesconi, Vice President of Public Policy, Moda Health

Fawn Barrie, Lobbyist for Moda Health