

March 25, 2019

The Honorable Laurie Monnes Anderson Chair, Senate Health Care Committee State Capitol Salem, Oregon 97301

RE: Senate Bill 900 – Outpatient dialysis treatment

Dear Senator Monnes Anderson and members of the committee:

Providence Health & Services expresses our mission through compassionate service for all, particularly the poor and vulnerable. Senate Bill 900 will ensure that those vulnerable patients facing kidney disease and undergoing dialysis are protected when they receive premium assistance payments from financially interested dialysis companies. For this reason and the reasons stated below we support Senate Bill 900 and urge the committee to join us.

Premium assistance provides an important safety net for some patients undergoing kidney disease treatment. However, it can also expose patients to predatory practices by financially interested dialysis companies including elimination of assistance in the middle of the plan year and requiring use of specific providers/clinics. For this reason we support parameters to ensure that the programs are transparent and patients are protected for the entire year for which the premium assistance was offered.

Further, we believe that the regulatory environment should encourage affordability in health coverage. Dialysis centers in Oregon negotiate a significantly higher reimbursement from commercial payers than government payers. Market distortion occurs when dialysis patients are encouraged to access coverage through commercial insurance by way of premium assistance programs instead of accessing coverage through Medicare or Medicaid programs for which they are eligible. This in turn drives up premium rates for businesses and individuals and purchasing health care coverage. We believe additional transparency will help to identify and control health care costs attributable to these programs.

We appreciate the opportunity to express our support for SB 900 as proposed.

Sincerely,

Robert Gluckman, M.D., MACP Chief Medical Officer for Providence Health Plans