MEMORANDUM

To: Chair Andrea Salinas Members of the House Health Care Committee

From: Courtni Dresser

Date: February 4, 2020

Re: HB 4114

The Oregon Medical Association has concerns with HB 4114 as written. The OMA is opposed to benchmarking reimbursement rates to Medicare and placing that in statute. Medicare rates are not designed to represent the true cost of care. Rates in Medicare are also based on political factors and priorities may change from one administration to another.

The OMA supports fair and transparent contract negotiations among providers and payors, and believes placing this language in statute does not allow for fair contracting. Creating this benchmark can have unintended consequences that could impact the access to care for patients that need ongoing lifesaving dialysis or push these patients into a more expensive location for care, such as an emergency department.

Thank you for considering this concern in your deliberation of this important issue.

The Oregon Medical Association serves and supports over 8,000 physicians, physician assistants and student members in their efforts to improve the health of all Oregonians. Additional information can be found at <u>www.theOMA.org</u>

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