



February 1, 2022

Representative Rachel Prusak, Chair
Representative Cedric Hayden, Vice-Chair
Representative Andrea Salinas, Vice-Chair
House Committee on Health Care
900 Court Street NE
Salem, OR 97301

Delivered electronically.

Re: Opposition to House Bill 4006, relating to naturopathic physicians.

Chair Prusak, Vice-Chairs Hayden and Salinas, and committee members:

The PacificSource companies are independent, not-for-profit health insurance providers based in Oregon. We serve over 500,000 commercial, Medicaid, and Medicare Advantage members in four states. PacificSource Community Solutions is the contracted coordinated care organization (CCO) in Central Oregon, the Columbia River Gorge, Marion & Polk Counties, and Lane County. Our mission is to provide better health, better care, and better value to the people and communities we serve.

Thank you for the opportunity to comment on House Bill 4006, a bill nearly identical to legislation introduced in 2019 as Senate Bill 734 and 2021 as House Bill 2673. We note from the outset that under Oregon's network adequacy laws, health insurers may not "discriminate with respect to participation under a health benefit plan or coverage under the plan against any health care provider who is acting within the scope of the provider's license or certification."¹ This means in practice that covered services are based on billed procedures, not the provider's specialty.

It is our responsibility as a health plan to ensure the safety of our members as they interact with the networks of providers we work with every day. Credentialing provides that reassurance to our members that their participating provider is highly qualified. Additionally, in making reimbursement decisions insurers may take into account the scope of the license a provider holds, the provider's education, experience and training. In the case of naturopathic physicians (ND), even though the scope of the ND license issued in Oregon is more expansive than other states, the license types still remain different. A ND undergoes different training requirements and as a result may also possess different experiences than a physician who underwent a residency program. Testimony on the record in 2021 from the Oregon Medical Association went into extensive detail between the differences between a naturopathic physician and a

¹ ORS 743B.505(2).

physician.² HB 4006 would effectively unravel our ability to adjudge a provider's background and qualifications for the benefit of our membership.

In addition, PacificSource supports and has actively participated in the Sustainable Health Care Cost Growth Target Implementation Committee, and is a signatory to the voluntary Oregon Value-Based Compact seeking to "advance the adoption of value-based payment across the state."³ Particularly early on in the COVID-19 pandemic, the downsides of the fee-for-service model drove conversation and commitment to innovation in payment models. Unfortunately, HB 4006 does not appear to allow for more innovative payment models that focus on outcomes, but instead would work to make the transition toward value-based payments further out of reach.

For these reasons, we respectfully oppose passage of HB 4006. For questions or concerns, please contact me at 503.949.3620 or richard.blackwell@pacificsource.com.

Sincerely,

/s/

Richard Blackwell
Director, Oregon Government Relations

² See Testimony, House Committee on Health Care, HB 2673, February 25, 2021 (statement of Courtni Dresser), <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/PublicTestimonyDocument/8578>

³ See Ore. Health Leadership Council, *Oregon Value-based Payment Compact* (available at <https://orhealthleadershipcouncil.org/oregon-value-based-payment-compact>)