

February 25, 2025

Testimony in support of Senate Bill 609.

To the members of the Committee on Health Care,

For the record, my name is Dr. Brian Frank. I am a family physician practicing in Portland, Oregon, where I have worked for the past fourteen years. I am also the Chair of the Oregon Academy of Family Physicians (OAFP) Commission on External Affairs. I submit this testimony on behalf of the OAFP in support of Senate Bill 609, which would help improve patient access to medical services by increasing investment in primary care.

This bill corrects a structural problem with how we pay for health care. Medical services are reimbursed based on their relative value compared to a 15-minute primary care visit. Other services are reimbursed at higher or lower RVUs, depending on their duration and complexity. For example, a primary care visit is worth 1 RVU, while a cardiac bypass surgery is worth 40 RVUs. Currently, Medicare reimburses <u>\$32.35</u> per RVU. Commercial insurance rates are approximately \$54 per RVU, or <u>165</u>% of Medicare's rate. Medicaid, which covers one quarter of all Oregonians and 40% of Oregon's children, in contrast, pays <u>\$28.50</u> per RVU, 88% of the Medicare rate.

Oregon is a national leader in high-quality primary care services. Our patient-centered primary care homes provide a return on investment of \$13 for every \$1 invested in them. Primary care saves money and saves lives by helping people stay healthy. Making primary care visits the base unit against which all other services are inflated dramatically undervalues the *only* part of the healthcare system that *lowers* total costs. It is exactly this discrepancy that has caused a shortage of primary care services in Oregon. As you can see in the map attached to this testimony, nearly 75% of the state lacks sufficient access to primary care, and this problem may grow worse without intervention.

Fewer medical students are going into primary care residencies overall. Indeed, last year pediatric and family medicine residencies did not fill 10% of their training positions nationally, though Oregon family medicine residencies were able to fill. Primary care clinics across the state are closing due to an inability to cover their costs. It is not hyperbolic to suggest that, if the current reimbursement structure continues, Oregon's primary care infrastructure will <u>collapse</u> in the next decade.

Senate Bill 609 will prevent this crisis by raising the cost of loss of Medicaid reimbursement for primary care services to \$85. This rate reflects the true value of primary care, reinvigorate and sustain the current primary care workforce, and attract countless new primary care physicians to Oregon.

In closing, I urge you to support Senate Bill 609. The health of all Oregon depends on it.

Sincerely

Brian Frank MD





Shaded areas indicate where there are not enough primary care providers; the darkness of the shade reflects the severity of the access problem.