

March 11th, 2025

RE: House Committee on Behavioral Health and Health Care Hearing on HB3554

Chair Nosse, Vice-chair Javadi and Nelson and members of the committee,

For the record, my name is Tony Germann. I serve as a rural family doctor and clinic medical director practicing in the Willamette valley. Additionally, I am a member and Vice-Chair of the Oregon Health Policy Board.

I am here today to express strong support for HB 3554, which addresses some of the most pressing issues of sustainability and access to care for smaller independent practices in Oregon. As Rep. Bowman shared, this piece of legislation was developed directly from the feedback of providers and administrators in those practices, identifying some of the leading challenges and concerns which are ultimately prompting them to feel compelled to sell their practice or leave the field. In our increasingly consolidated market, smaller practices are competing against larger market systems, such as vertically integrated health systems, private equity, and hospitals. In our adoption of value based care we have placed smaller practices at a tremendous disadvantage. Our smaller independent practices deliver exceptional care that is personal and connected to the community. However, we are losing our most trusted advisors in our communities as we see these practices close up.

My colleagues and my own clinic report on a multitude of items; immunizations, diabetes control, blood pressure control, cancer screening and a list of well over 100 measures. The reality is the infrastructure necessary to perform all the reporting requirements we set is overwhelming. Some practices are making decisions to forego reimbursement rather than waste their energy on more administrative burdens. We need to recall that for payers like Oregon Health Plan, this payment is often below the cost of care and to forfeit this reimbursement is an alarming decision for practices. However these are the decisions they are wrestling with. There are economies of scale for larger systems, they can utilize an army to process some of this information and have a suite of IT folks to perform this work. For a practice of 5-20 providers that is a harder task.

It is our belief that with some additional tools outlined in this legislation we can help these practices thrive.

This bill is a practical and solutions oriented attempt to help simplify where possible an increasingly burdensome and complex health system. It accomplishes this task by equipping practices with additional devices they need to keep their practices whole. These measures also give practices financial footing for them to recruit and retain providers and update their practices with capital investments. It empowers our state to continue to move forward and permit practices to function optimally with value based quality metrics reporting. Finally, it reduces waste in our system by updating our redundant credentialing system.

Key Provisions and Support:

1. Primary Care Provider Loan Repayment Program: This provision is crucial for smaller independent clinics that struggle with recruitment and retention. By providing additional funding for loan repayment subsidies in suburban and urban shortage areas, HB 3554 will help stabilize the workforce without diminishing existing support for robust rural programs.
 - a. Eligible providers include: physicians, physician associates, and nurse practitioners, will benefit significantly from this initiative.
2. Primary Care Incentive Program: Offering low-interest loans to support capital expenditures will empower smaller practices to advance clinical care and participate in value-based care.
3. Electronic Health Records (EHR) Support: Providing low-interest loans for implementing or upgrading interoperable EHR systems will enhance data management and care coordination. This is essential for improving patient outcomes and streamlining clinical operations.
4. Health Outcome & Quality Measures Data Portal: Creating a centralized reporting portal for quality measures will increase transparency and efficiency. By integrating with existing EHR platforms, this system will reduce administrative burdens on providers.
5. Study on Credentialing System: The analysis of barriers and potential solutions for a centralized credentialing system is a vital step toward streamlining health care operations. Simplifying credentialing processes will help reduce administrative burdens and improve provider efficiency.

Primary Care Crisis in Oregon:

Oregon is indeed facing a growing crisis in primary care access, exacerbated by provider shortages and administrative burdens. Independent providers, who form the backbone of our healthcare system, are particularly challenged. HB 3554 offers a

comprehensive approach to support these providers, enhance access to high-quality care, and improve health outcomes.

Impact and Conclusion:

HB 3554 is a forward-thinking bill that addresses multiple facets of Oregon's independent practice challenges. By enhancing access, reducing provider shortages, improving data transparency, and streamlining credentialing, this legislation will strengthen Oregon's health care system. I urge the committee's support of HB 3554 to assist our state's independent providers and improve health care for all Oregonians.

Thank you for the opportunity to testify today.

Tony Germann, MD MPH FAAFP

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