Regence | 200 SW Market Street, 11th Floor
Portland, OR 97201

Testimony on HB 2029: Behavioral Health Audits

March 13, 2025

Chair Nosse and Members of the Committee,

My name is Mary Anne Cooper, and I am the Oregon Director of Public Affairs Regence BlueCross BlueShield of Oregon. As the state's largest health insurer, Regence is committed to addressing both persistent and emerging health needs for the nearly one million Oregonians we serve. In keeping with our values as a tax paying nonprofit, 90% of every premium dollar goes to pay our members' medical claims and expenses.

I want to start by acknowledging the incredible work that our behavioral health professionals have done for all of us since the pandemic. At Regence, we have been working hard during this time to maintain a broad and robust provider network for our members, and a significant part of that work is ensuring that providers want to participate in our network. We know it can be intimidating to be audited by insurance companies, and we work to ensure our audit practices are transparent and workable for providers.

As an insurer, we have an obligation to the nearly one million Oregonians that we serve to be good stewards of their dollars and ensuring that billing is correct and accurate is an important part of fulfilling that obligation. We have information on our claims submission and audit practices available for our providers on our website. We follow the Centers for Medicare & Medicaid Services (CMS) regulations and guidance on correct billing and coding use.

HB 2029 would make significant changes to those practices for behavioral health audits only, and would be challenging to

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operationalize due to the following technical issues that we would appreciate working with the proponents to resolve:

- It appears that much of what is captured both under the broad provisions of the bill and the definition of the term "audit" are potentially presently part of our day-to-day controls on our claims payment processes, versus a formal audit of claims associated with a specific provider.
- We also do not believe it is appropriate to restrict recoupment based on a clerical error. If a provider bills in error, we should be able to recoup costs paid in error.
- We also have concerns about the restriction on bringing a new audit of a claim while another audit is in the process. Different audits can be conducted for different issues, and especially given the strict timeframes in the bill, multiple audits may need to occur at one time.
- Additionally, we have questions about how this will work with the Federal Employee Program and other federal contracts which have their own audit rules and requirements. When audits are required by third parties, we have to meet their audit terms and conditions, which may not algin with this bill.
- Finally, the state and the industry have been trying to streamline and support parity between behavioral health and medical health care. Having different audit standards could create significant operational challenges that further segment the two types of services and run counter to our goals to integrate and streamline behavioral health and medical healthcare as much as possible.

Please do not hesitate to contact me if you have any questions.

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