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From: Grant Engrav
To: Legislative Assembly
Re: Testimony Re: HB 3134

One way to cut down on healthcare costs is to prevent Oregon providers from treating patients. This, as I hope everyone will easily agree, is a bad way to cut costs. The proposed amendments to HB 3134, prevent arbitrary and expensive prior authorizations from being required. The failure to include these amendments is an inexcusable endorsement of this backward practice.

The prior sentence is worded strongly, here is why: The endorsement of prior authorizations is an endorsement of the belief that the providers of your state are engaging in fraud by recommending and providing care that is unnecessary. Do you believe that? Prior authorizations require the provider to ask "*mother may I*" to the insurance company (or worse yet, the utilization management company) who profits when they answer that question with a "*No*."

Does fraud in healthcare happen? Yes, it does. However, there are already laws, contracts, government agencies, and medical boards that all crack down on it with their considerable resources. As a health care attorney practicing in the health care space for about a decade, I can tell you that insurance companies have adequate tools when faced with fraud or unnecessary billing. Their most potent of which is the ability to withhold future payments to providers they accuse of fraud or unnecessary spending. This puts the burden on the provider to disprove the allegation, while they are out of pocket for the services they rendered. Many drop the issue in face of the costs, time, and pessimism that comes from the insurer also playing the role of judge in any appeal process.

The amendments proposed here do not try to <u>eliminate</u> or create a remarkably high threshold for prior authorizations (although I welcome that debate when the time comes). The amendments only seek to impose reasonable limitations. This is not an original idea and has not been all that controversial with states like ours. Washington made the decision in 2018 via SB 6157, and Maine did so via LD 1383. Even United Health Care, announced at the beginning of the year that they increased/set a floor of visits post-initial eval prior to requiring prior authorization. This is likely due to the fact that patients self-select out of PT when they feel it is not needed. We're not talking about massages here.

The amendments in this bill leave a lot to be desired from a provider and patient point of view. However, it will dramatically reduce cost and improve intangible process for clinics. As demonstrated by other testimony submitted, it will not increase costs.

Respectfully submitted, Grant Engrav

Grant Engrav, Co-Founder of Engrav Law Office LLP