Testimony against the merger of Optum for the Oregon Health Policy Board on January 9, 2024 and the Oregon Health Authority and Health Care Market Oversight (HCMO) Program by January 18, 2024.

I am Michael Huntington, MD, a retired radiation oncologist from Corvallis. I strongly oppose the proposed merger of the Corvallis Clinic with Optum Oregon Management Services Organization (MSO). I fear the likely result of the merger would be increased costs and poorer healthcare outcomes for our communities.

I took care of and learned of many patients who had delayed care for months or would refuse care because they feared the cost of care. They would wait until a crisis of pain, bleeding, or breathing forced them to agree to be seen, often in the emergency room. The ER doctor would inform them that they had advanced cancers.

On November 6, 2023, Katherine Gudiksen of the University of California at San Francisco College of Law testified before the Oregon Senate Committee on Health Care. She asserted that medical mergers and acquisitions are the leading cause of escalating healthcare costs in the U.S. https://olis.oregonlegislature.gov/liz/2023I1/Downloads/CommitteeMeetingDocument/277682.

David Baden, Acting Director of the Oregon Health Authority (OHA), affirmed Ms. Gudiksen's comments in his presentation to the Committee https://olis.oregonlegislature.gov/liz/2023I1/Downloads/CommitteeMeetingDocument/277646

There are other reasons to oppose this merger. Optum Oregon MSO is owned by Optum, Inc., which in turn is owned by UnitedHealth Group Inc. (UHG). UHG has a decades-long history of fraud and abuse. For details, read the October 8, 2022, New York Times article, "The Cash Monster Was Insatiable. How Insurers Exploited Medicare for Billions." UHG was at the top of the list for being accused of fraud. UHG controls over one-fourth of the health insurance market. Other insurances, including Humana, CVS Health, Kaiser Permanente, and CIGNA, also behaved poorly.

In the past six months, two large hospital systems in Oregon have notified UHG that they are no longer accepting patients who have Medicare Advantage insurance through UGH. UHG had imposed intolerable and unjustified delays and denials of preauthorizations and payment of claims.

The OHA and the state of Oregon must honor the recently amended Oregon Constitution assuring equitable access of all Oregonians to affordable health care. To do so, Oregon needs a permanent moratorium on mergers of medical groups with out-of-state corporations. Without such a moratorium Oregon cannot control medical costs, maintain local control of health in our communities, nor comply with its Constitution.

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December 30, 2023

OHPB meeting January 9, 2024: Public Comments regarding recent consolidations with Optum Oregon MSO.

I am Bruce Thomson, MD retired from private medical practice, and I am opposed to the proposed merger/consolidation of the Corvallis Clinic with Optum Oregon MSO. I am an advocate for the state of Oregon living up to a recent amendment to the Oregon constitution, as voted on by the voters in Oregon in 2022, "assuring access to affordable and equitable health care" for all in Oregon. The mergers that Optum Oregon has already achieved, along with the current proposed merger, pose a threat to the recently amended Oregon constitution.

Optum Oregon MSO is owned by Optum Inc., which is owned by UnitedHealth Group Inc. In the past 6 months, two large hospital systems in Bend and Corvallis have notified UnitedHealth Group that they are no longer accepting patients that have Medicare Advantage insurance through UnitedHealth Group. This action speaks loudly of the dissatisfaction that these two hospital systems have experienced in dealing with UnitedHealth Group. This also represents a serious breach in the medical insurance net that impacts many Oregon seniors. I am not aware of any public statements or any actions that OHA or DCBS may have taken regarding this breach in insurance for Oregon seniors. If in fact there were no actions that OHA or DCBS could have taken in these two situations, then many Oregonians are truly at the mercy of private healthcare corporate infrastructure and their subsidiary organizations such as Optum Inc and Optum Oregon MSO.

From David Baden's presentation to the Senate Health Care Committee on Nov 6, 2023

https://olis.oregonlegislature.gov/liz/2023I1/Downloads/CommitteeMeetingDocument/277646

Consolidation is when 2+ companies combine

Consolidation in **health care** can involve entities such as:

- Hospitals
- Insurers
- Clinics
- Health systems
- Other companies involved in delivering health care

Consolidation can occur through different types of business deals:

- Mergers
- Acquisitions
- Joint ventures
- Partnerships
- Affiliations

Potential impacts for people in Oregon

- Higher personal spending on health care
  - Forgoing care & medications
  - Medical debt
- Higher costs for employers slows wage growth
- Fewer choices for obtaining care
- Fewer options for health care employment
- Some communities or populations experience impacts more than others, potentially exacerbating health inequities

Optum Oregon MSO has already consolidated with a number of Portland area medical clinics, Eugene Oregon Medical Group and other medical practices in the Willamette Valley. It now seeks to merge with The Corvallis Clinic. With these consolidations, Optum Oregon MSO is well on its way to become a major factor determining health care costs in the Willamette Valley. While OHA strives to reduce health care costs for Oregonians, OHA will not succeed in this goal as mergers with organizations designed specifically to maximize corporate "earnings" based on ratcheting-up healthcare costs to Oregonians and cutting labor costs, are approved by OHA. While OHA strives to improve equity in access to health care for Oregonians, equity is threatened by these types of consolidations. Many additional Oregonians and their families, who do not qualify for Medicaid, will be priced out of healthcare.

In recent conversations with colleague physicians from Lane County who are not employed by Optum EugeneOMG, they report that within the first 12-18 months of Optum managing the EugeneOMG practice, 30-40% of the OMG physicians left EugeneOMG/Optum. This level of disruption in accessing medical care has been harshly impactful for the people in Lane County. In a Lund article dated April 2022;

https://www.thelundreport.org/content/insurance-giant-unitedhealth-expands-oregon-primary-care

Executive Director Betsy-Boyd Floyd of the Oregon Academy of Family Physicians is quoted as stating "There is some pretty solid evidence that prices go up when independent practices become part of larger systems. There is less pressure in the marketplace to keep costs lower. There is less competition". In an addendum to that April 2022 Lund Article, dated 10/24/23, a patient writes;

"From my perspective as a patient, Optum's purchase of OMG has been devastating. From my experience it now takes up to 9 months to get a follow up appointment, and that's if a specialty still has any doctors left, since they are leaving in droves. (There are none left in Dermatology, for example.) I have lost two excellent doctors in the past two months and won't be surprised if I lose at least two more. These doctors have been with OMG for decades, and despite the year-long non-compete period they face if they want to continue to practice in Lane County, they just can't take being driven into the ground by Optum anymore."

I have detailed my personal experience accessing medical care in Lane County for my disabled son who lives in Eugene in another document already on file with HCMO. In June 2023 his neurologist returned to her home state. According to a colleague physician who practices medicine in Lane County, there are no neurologists in what used to be Eugene OMG, when there used to be at least 4.

As a physician I recall negotiations in the 1990's asking all primary care physicians to accept their "share" of Medicaid patients. This commitment by medical providers to an "ethics of caring" is the Oregon way to medically help those less fortunate. Currently, most medical providers see a mix of Medicaid and private pay patients every day. What assurances does OHA have that Optum Oregon MSO medical providers are allowed to and encouraged to treat Medicaid patients, since treating Medicaid patients will negatively impact Optum Oregon goals of maximizing earnings? With ongoing Optum Oregon MSO expansion will OHA be able to and allowed to monitor equitable healthcare access by Medicaid patients within the Optum Oregon system?

This month, OHA and many others are looking forward to a new Executive Director of OHA. Dr Sejal Hathi, who has said her reasons for filing for the position of Executive Director of OHA, was because of "the innovative approach that Oregon takes to healthcare. This is a state and a team that embraces my values for equity, for evidence-based policy, for innovation and relentless improvement". I wonder if Dr Hathi had in mind the newest innovation in Oregon, the approval by OHA/HCMO of national for-profit corporations. I suspect that Dr Hathi's "ethics of caring" will not align with OHA/HCMOs apparent approval of a tacit "ethics of profiteering" through approvals of Optum Oregon MSO consolidations. I am concerned that this level of disconnect will soon lead to yet another search for an executive director of OHA.

With these considerations, perhaps Governor Kotek and OHA will look a little deeper into what is actually happening on the ground for communities impacted by such a staggering loss of medical providers as has occurred in Lane County since the Optum Oregon MSO merger. Reviewing an electronic application, where much of the information is redacted, seems a fairly straight forward process. Evaluating the impact on communities as a result of approvals of corporations such as Optum Oregon MSO requires a whole different level of information. A pause on the approval of consolidations of medical groups with corporations similar to Optum Oregon seems not unreasonable. This is especially important given the likely outcome of inequitable access, increasing medical costs and additional impacts noted by David Baden and others. A pause in approval of consolidations would allow time for OHA and the state of Oregon to re-evaluate if we truly want to live by the Oregon constitution thereby assuring equitable access to affordable health care for all in Oregon. The alternative is that private national corporations will set the rate of increase in costs of health care in Oregon for the foreseeable future as they nurture their tacit "ethics of profiteering" in the delivery of healthcare to Oregonians.

Bruce Thomson, MD, family practitioner retired

To: The Oregon Health Policy Board

From: Lou Sinniger

Date: January 7, 2024

Subj: OPTUM/UNITED HEALTHCARE BUYOUT OF CORVALLIS CLINIC

Dear Policy Board:

Thank you for this opportunity to make public comment. I apologize for not being able to attend this meeting in person because of earlier commitments.

I live in Elmira outside of Eugene Oregon in Lane County. We are still reeling from the closure of the University District Hospital leaving Eugene without emergency services.

While OHA and the Governor could not do anything about Peace Health's decision to close because of lack of income, it is my understanding from new legislative action OHPB/OHA will have decision authority over proposed acquisitions and mergers. Several have been proposed over this last year.

The standard talking point is that bigger is better. However, in my lived experience I have usually found that smaller is more personal and attentive especially when personal care is involved.

How can you make a decision based on promises? Well in this case you have some ability to check the record. OPTUM bought Oregon Medical Group in 2022. OMG had a number of clinics and about 100 doctors at the time.

I have heard that patients and providers are not happy. One Physician's Assistant that I go to was so happy to find another clinic to work at after a year of not being able to attend to people in a manner of their choosing, after the buyout.

I submit that the OHA/OHPB research the quality of service at OMG now in order to make a decision based on facts rather than promises. This proposed buyout will affect thousands of lives and the medical economics for the foreseeable future.

Thank you for your attention to this grave matter.

Lou Sinniger

Elmira, Oregon

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541-954-2356

Julie Magers
Family Engagement and Support Specialist
OHSU Data Evaluation and Technical Assistance Team (DAETA)
TA and Family Peer Workforce support for IIBHT, CATS (2016-2022), and MRSS

In response to the Oregon Ombuds Six-Month Report focusing on child, youth and family mental health services, workforce development is included as one of the Ombud's recommendations. There is a specific call out to "strengthen the peer workforce within children's mental health."

To "make operational a robust peer workforce" requires that we start with the recognition that humans must be sufficiently incentivized, trained, and supported to do the work of that given workforce. Family peer support specialists, included in OARs as an essential role within IIBHT and MRSS programs, have been experiencing deep strain and challenge to keep doing the work and to do it well. It's widely documented that the covid pandemic had a disproportionate impact on women in the workforce, and the family peer support workforce is dominantly filled not only by women, but also women who are mothers of children with complex health needs.

A critical step to making a robust workforce is to examine what is needed in order to robustly support the family peer workforce so that those who are in current service have a viable career, while simultaneously creating a strategic pathway into the workforce so that we can grow it. Meeting the needs of the current and future people who make up the workforce is imperative to meeting the demands placed on family peers through including them as a mandated role in the OARs. It's not enough to value the critical contribution these specialized workers make by including them in the rules; providing the necessary scaffolding for the workforce, as defined by those working within it, must go hand-in-hand.

The social reward of service-to-others has often been at the core of behavioral health-related services for children and families, however the worsening crisis we're experiencing in our workforce begs us to consider that this "soft" incentive is no longer nearly enough and that we must act boldly to improve the working conditions of this important, specialized workforce.

My family peer colleagues and I are available should you want to explore further what is included in these comments.

Thank you,
Julie Magers

Family Engagement & Support Specialist
Youth and Family Crisis Response Services
Community Technical Assistance and Program Support
OHSU Child & Adolescent Psychiatry DAETA Team

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SOCAC

System of Care Advisory Council

January 9, 2024

Oregon Health Policy Board
Written Testimony, January 9, 2024

Members of the Oregon Health Policy Board:

My name is Dr. Robin Henderson, and I am a licensed clinical psychologist. I am here today on behalf of the Children's System of Care Advisory Council (SOCAC), where I serve as the psychologist member of this statutory body. We represent the providers, agencies, payers and most importantly, the children, youth and families who are impacted by the child-caring system in Oregon. The Council acts as a central, impartial forum for statewide policy development, funding strategy recommendations and planning. The Council's goal is to improve the effectiveness and efficacy of child-serving state agencies and the continuum of care that provides services to youth (ages 0-25). My comments today are in response to the OHA Ombuds report, which you received earlier in this meeting.

SOCAC has been very interested in the cross-system barriers that prevent Oregon's child-serving agencies from efficiently and effectively providing care to the children, youth and families they serve. As such, they created the Safety Workgroup Report that looks at the impact of payment, regulation and policy on the system, and have created a table of recommendations for consideration they intend to investigate more deeply prior to the 2025 Session. You can find a link to this report here. Of current concern, however, is the practice of temporary lodging.

According to the recently released Special Master's report, Oregon removes more children from their homes and those children spend longer in foster care than children in other states. Of these children, a small percentage spend time in "temporary lodging"—a practice commonly referred to as "hoteling" in the local media. While small in numbers, they are predominantly black, brown and indigenous individuals, many of whom are members of the LGBTQ+ community. In short—they are some of the states most vulnerable youth.

Recent news events have highlighted the continuing issues related to temporary lodging. A recent OPB article cast the spotlight on the unregulated practice of paying unlicensed organizations nearly twice what licensed child-caring organizations are paid to care for adolescents in temporary lodging. These practices are defended through a myriad of administrative procedures, but the fact remains—Oregon is more comfortable hiding these issues in the shadows than in changing the regulations, policies, payment structures and practices that would permanently eliminate temporary odging. Please see the Special Master's report for several effective recommendations that should be implemented.

Respite is an essential and cost savings component of an effective system for children and youth with behavioral health conditions and related disabilities. Four local systems of care have elevated the lack of respite as a formal barrier to the SOCAC – as you may recall, the local system of care advisory councils are created by the CCOs to support the local provision of services and highlight the areas that need statewide attention and focus. Likely more are struggling with this issue and have yet to elevate these concerns.

All these issues come down to three basic issues:

- Antiquated pay/fee structure that disincentivizes kin placement
- Lack of capacity, in large part due to workforce
- Regulation across ALL the impacted systems—not just child welfare.

The ASK: The Oregon Health Authority has a significant role to play in resolving all of these problems. OHA needs prioritize use of In Lieu of Services, Health Related Services, the 1115 and the 1915 waivers to expand access to respite. Many states have already done this so there are lots of examples of CMS approved programs in other states[1]. Additionally, OHPB needs to familiarize itself with the SOCAC Safety Workgroup Report (see link earlier in testimony). Executive Director Anna Williams and I would be happy to brief you on the highlights of that report at your convenience.

Thank you for the opportunity to testify. We look forward to working with you to resolve these important issues for the children, youth and families of Oregon.

Robin Henderson, PsyD
Licensed Clinical Psychologist
Legislative Chair, System of Care Advisory Council

[1] https://www.manatt.com/Manatt/media/Documents/Articles/The-Commonwealth-Fund-Report_2023-11_c.pdf
https://www.medicaid.gov/sites/default/files/2023-11/hrsn-coverage-table.pdf