



P.O. Box 998, Sherwood, OR. 97140
Phone: (503) 625-2050 Fax: (503) 625-9285
E-Mail: OPAofOR@aol.com

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**Statement In Support of SB 822 (Health Plan Network Adequacy)
On Behalf of the Oregon Pathologists Association (OPA)
Submitted By Claire Elizabeth Murphy, MD, FCAP**

I am testifying today in Support of Senate Bill 822 on behalf of the Oregon Pathologists Association. I am also here today urging legislative support for an amendment to Senate Bill 822 recommended by the Oregon Medical Association, expanding the scope of the health plan network adequacy requirement in the bill to include hospital-based physician specialties of radiology, anesthesiology, emergency medicine and pathology and laboratory services.

Current Oregon law does not require any governmental assessment of Oregon regulated health plans to determine enrollee access for pathology/clinical laboratory services, and the other hospital-based physician specialty services. This is an omission and loophole in law that SB 822 should close. Specifically, pathology/clinical laboratory services drive over 70%¹ of all patient diagnostics. Health plans that fail to contract for these services cannot adequately serve the medical needs of their enrollees.

A health plan network adequacy requirement for radiology, anesthesiology, emergency medicines and pathology and laboratory services, if enacted, would emulate laws in Texas, Washington, Virginia, New Hampshire, Tennessee, Louisiana, Georgia and Illinois and regulations in Michigan, and California. All these laws ensure health plan network adequacy for essential health facility-based services.

Many health plans nationwide are engaged in exploitative business practices that seek to limit enrollee options by narrowing their specialist provider networks. These "narrow networks" undermine quality of care and can create both geographic barriers to enrollee access and time delays in services provided, as is the case potentially with pathology and laboratory services. It is now common practice for health insurance plans to narrow their networks by refusing to contract for physician specialist services.

According to the College of American Pathologists (CAP) 2023 Survey data, the number of pathologists and clinical laboratories that have been "denied or unable to reach agreement on continued participation in a commercial health insurance plan/insurer network in which they were previously a participating provider" has more than doubled from 2021 (9%) to 2022 (19%).

Health care delivery is optimized when multi-specialty physician specialists, inclusive of pathology, clinical laboratory, radiology, emergency medicine, and anesthesiology are all in-network. Moreover, because of insurance industry non-payment or delayed payment, out-of-network physician specialist services are financially stressed and may become inaccessible. The result is patient's lack of access to

¹ <https://www.cdc.gov/csels/dls/strengthening-clinical-labs.html>

physician specialists at in-network hospitals and facilities, thereby denying patients the benefits of using an in-network site of service

For these many reasons, we strongly support the expanded oversight of health plan network adequacy contemplated under Senate Bill 822, and urge the legislation be amended to include other physician specialty services, including pathology and laboratory services. Thank you for your consideration of this testimony.

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