

3/14/23

Chair Lee and committee members,

For the past 10 years, I have been an internal medicine physician affiliated with an independent medical center in Hettinger. Day in and day out, my patients are challenged with a variety of insurance related issues, two of which are having health insurance and having access to the right health care practitioner for their health needs. Restrictive insurance networks worsen the already challenging access issue and if left unchecked may further worsen access for patients in rural areas.

From a health systems perspective, narrow insurance networks are troubling. It's well documented that consolidated health care networks increase costs. Most recently, a large analysis by the National Bureau of Economic Research and Harvard published in the January 24 issue of JAMA showed that "Physician services delivered within health systems cost between 12 percent and 26 percent more, compared with independent practices. System-based hospital services cost 31 percent more, on average, compared with care delivered by independent hospitals."

Rural residents covered under a narrow insurance plan risk being out of network with their local independent health system. This will result in longer drive times, longer wait times (both of which we know result in worse health care outcomes and increased costs), and more ER usage.

The claim by opponents of this bill that costs will go up is refuted by a stack of data. Besides that, it just doesn't pass the common sense test when the insurer is paying the same in-network rate.

This bill is not about the state of North Dakota's insurance market at the moment. It's about what may happen in the future. Vertically integrated networks could easily restrict their network drastically in the future. The patient and practice owner issues you heard today may be the canary in the coal mine. Like dealing with the noxious weed palmar amaranth, chronic wasting disease in big game, or Fufeng trying to build a milling plant it's better to deal with the issue up front rather than waiting.

Access to healthcare improves health outcomes. Restrictive insurance networks do not contain costs. Improve patient access, limit the risk of narrow networks going forward, and recommend a DO PASS on 1416.

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