



**NORTH DAKOTA
MEDICAL
ASSOCIATION**

1622 East Interstate Avenue
Post Office Box 1198
Bismarck, North Dakota
58502-1198

(701) 223-9475
Fax (701) 223-9476
www.ndmed.org

Kimberly T. Krohn, MD
Minot
President

A. Michael Booth, MD
Bismarck
Vice President
Council Chair

Steven P. Strinden, MD
Fargo
Secretary-Treasurer

Debra A. Geier, MD
Jamestown
Speaker of the House

Gaylord J. Kavlie, MD
Bismarck
AMA Delegate

Robert W. Beattie, MD
Grand Forks
AMA Alternate Delegate

Courtney Koebele, JD
Executive Director

Leann Benson
Chief Operating Officer

Annette Weigel
Administrative Assistant

**HEALTH CARE REFORM REVIEW COMMITTEE
ND Legislative Council
July 7, 2011**

Chairman Keiser and Committee Members, I'm Courtney Koebele and I serve the North Dakota Medical Association as executive director. NDMA is the professional membership organization for North Dakota physicians, residents and medical students. On behalf of NDMA I appreciate the opportunity to provide information regarding health care exchanges.

Overall, we think that the proposed American Health Benefit Exchange Model Act does an excellent job of tracking the health insurance exchange provisions in the Patient Protection and Affordable Care Act.

We have the following suggestions as we work as a state to implement exchanges:

1. The health insurance plans offered should have a high level of transparency. To make an informed health care purchasing decision, patients need to know how their premium dollars will be spent, what their cost sharing and co-payment responsibilities will be, which pharmaceuticals will be available to them and how insurers will conduct appeals for denied claims.
2. Exchanges are an excellent opportunity for more competition in the health insurance market.
3. Exchanges will be best served with patients and practicing physicians in their governance structures. Giving physicians a voice in the establishment and operation of an exchange will lead to a more positive reception in the physician community and will help to identify problems with the exchanges, allowing them to be rectified as quickly as possible.
4. We need to guard against cost containment mechanisms which are termed quality measures.
5. State insurance commissioners should maintain their authority to enforce patient and physician protections.

NDMA urges that insurance coverage options offered in a health insurance exchange: (1) be self-supporting; (2) have uniform solvency requirements; (3) not receive special advantages from government subsidies; (4) include payment rates established through meaningful negotiations and contracts; (5) not require provider participation; and (6) not restrict enrollees' access to out-of-network physicians.

Mr. Chairman, thank you for the opportunity to provide information on NDMA's view of health care exchanges. NDMA will continue to work with the committee and the ND Legislative Assembly to provide whatever information you need in establishing a health care exchange for North Dakota.