

**HOUSE HEALTH AND HUMAN SERVICES COMMITTEE**  
**March 20, 2019**  
**Testimony Supporting House Bill 2402**  
**Dr. Greg Sweat**  
***Senior Vice President & Chief Medical Officer***  
**Blue Cross and Blue Shield of Kansas City**

Chairman Landwehr and Members of the Committee, my name is Dr. Greg Sweat and I am here today on behalf of Blue Cross and Blue Shield of Kansas City to testify in support of House Bill 2402.

Blue Cross and Blue Shield of Kansas City (Blue KC) is a not-for-profit health plan serving more than a million residents in the greater Kansas City area, including Johnson and Wyandotte counties in Kansas and 30 counties in Northwest Missouri. Our mission is to use our role as the area's leading health insurer to provide affordable access to healthcare and improve the health and wellness of our members. In response to market demand, we have designed an innovative solution to enhance the health insurance customer's experience by creating Spira Care centers, which provide our members simple, affordable, and high quality health care.

As it has been previously noted, the Corporate Practice of Medicine doctrine (CPOM doctrine) refers to the public policy limiting the practice of medicine to licensed physicians by specifically prohibiting businesses from practicing medicine or employing physicians to practice medicine. We believe the physician, in conjunction with the patient, is ideally suited to guide the proper course of treatment and it is evidenced by the way we have structured our Spira Care centers — by making the patient/physician relationship pivotal to the business model. Not having the choice to hire the physicians directly threatens this model.

During discussions centered on this important public policy topic questions have surfaced around why the current structure of contracting with a third party for physician services does not meet our needs. Being uniquely situated near the state line, our service area spans across both Kansas and Missouri. We need the flexibility to have dually- licensed physicians employed by the same entity to cover any of the care centers that we operate in both states. If we had the ability to hire physicians directly we would have the flexibility to move physicians in case of coverage needs (i.e. doctor on vacation or calls in sick). Additionally, last year the legislature passed a telemedicine coverage mandate in order to improve access to care for Kansans. As the health care industry progresses into virtual visits, the ability to train the physicians on the same software and have them cover patients regardless of their location will be important.



Recent features deployed within Spira Care is integration within the CENTRUS accountable care organization (ACO), a physician led and system-agnostic value based network of providers. When needed, specialty referrals are guided to those practitioners and facilities which are objectively identified as providing the greatest value in terms of best quality and reasonable cost. Patients are not tied to a single hospital system for their care. Spira Care members are able to meet all other medical needs outside of the Spira Care Center, like specialty care or hospitalization, via access to Blue KC's high performing network, BlueSelect Plus. This network comprises more than 3,600 physicians and specialists and over 11,300 access points. Spira Care Centers refer to providers within BlueSelect Plus to ensure members receive high quality health care at lower costs.

The Spira Care Centers offer whole health awareness to their patients. The preliminary 2018 results suggest this model is working as primary care visits are up and the total cost of care is down for the Spira Care population relative to our non-Spira Care population. Allowing us to directly hire the physicians and their care teams provides the patient/member the comfort of knowing their SpiraCare primary care doctor will not be limited to referring specialist needs to a hospital system that employs the primary care physician. When SpiraCare members need the medical services not provided at the clinic, they will be referred to those facilities and specialists whose quality of care for the patient's illness exhibit the best outcomes. When a patient trusts their primary care doctor they are more likely to seek care when they need it rather than delaying and adhere to treatment /medication protocols- all of which increases the patient's quality of health and decreases costs to the health care system as a whole.

Our business model is addressing the underlying health care costs for our members. Hospitals, physicians and their associations must work with insurance carriers to achieve better outcomes at lower health care costs. The status quo is not the answer. We must all work together for the benefit of our patients or we will see more federal government intervention that will jeopardize the future of the private health care market.

For the reasons stated above we respectfully request your consideration in passing HB2402 out favorably. Thank you for your time and I would be happy to answer any questions you may have.

