

OREGON MEDICAL ASSOCIATION
HOUSE OF DELEGATES
Annual Meeting
April 30 - May 1, 2005
Sunriver, Oregon

RESOLUTION NO. 7

1 Introduced by: PAUL A. MEUNIER, DELEGATE MSMP
2 GERALD L. WARNOCK, DELEGATE, MSMP
3

4 Subject: SUPPORT FOR HB 3456
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6 WHEREAS, American physicians have historically freely and openly competed
7 with one another to provide medical care; and
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9 WHEREAS, the elements of ethical medical competition include credentials,
10 price, quality and access; and
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12 WHEREAS, the interposition of and increasing market power of health insurers
13 has markedly changed the way in which physicians practice,
14 manage their practice business affairs and compete with one
15 another; and
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17 WHEREAS, it is the practice in this state for health insurance companies to
18 selectively contract with groups of competing physicians on the
19 basis of their credentials, prices, quality and access offered to
20 their insureds, all reasonable and prudent methods with which to
21 distinguish the quality of their insurance product; and
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23 WHEREAS, at least one health insurer has taken selective contracting beyond
24 the bounds of fair competition by selectively contracting with one
25 group of physicians with which it has a presumably special
26 business relationship and refusing to contract with competing
27 groups with which they have long and mutually beneficial
28 business relationships and who offer the same or similar
29 competitive advantages of credentials, price, quality and access;
30 thereby creating an enormous business advantage for the former
31 and a devastating disadvantage for the latter; and
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33 WHEREAS, this form of "economic credentialing" is unethical, predatory, unfair
34 and immoral on its face and should be illegal as a matter of public
35 policy; now therefore be it
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37 RESOLVED, that the Oregon Medical Association supports without reservation
38 HB 3456 in the current legislative session that would provide as a
39 matter of law that an insurer offering preferred provider
40 organization insurance may not deny a provider that is willing to
41 meet the terms and conditions for participation by the insurer the
42 right to participate as a provider for the insurer.