

Submitter: Carmen Kavali
On Behalf Of:
Committee: Senate Committee On Health Care
Measure: HB4130

On behalf of our more than 12,000 physician and medical student supporters, Physicians for Patient Protection (PPP) supports House Bill 4130, which seeks to fortify Oregon's corporate practice of medicine laws.

PPP is a grassroots organization comprised of physicians, residents, medical students, and assistant physicians (a designation for those who have completed medical school but have yet to secure a residency match). Our core mission is to champion patient safety by ensuring physician-led care for every patient and advocating for truth and transparency regarding healthcare practitioner credentials. In Oregon and across the nation, there has been an accelerating surge in private equity acquisition of medical practices. This privatization results in shareholder and for-profit interests to be prioritized above patient safety and quality care. Extensive research has demonstrated that such corporatization invariably leads to detrimental effects on patient care – reduced access to necessary treatments, diagnostic procedures, or specialists; inflated pricing and billing, which overall increases costs of care to the system; and the erosion of physician autonomy and ability to act in the best interest of patients.

Corporate practice of medicine (CPOM) laws have existed for decades in most states, founded on the recognition of an inherent conflict between a physician's ethical duty to their patients and the profit motives of corporations, and prohibiting medical practices from being owned by anyone other than a licensed physician or medical professional.

HB 4130 is vital in closing loopholes in Oregon's CPOM doctrine, by blocking corporations or private equity investors from owning or indirectly controlling medical practices and the decisions of healthcare providers.

HB 4130 also restricts corporate entities from imposing non-compete/non-disclosure and non-disparagement clauses for specific providers, a common practice which impedes physicians' ability to advocate for their patients and have also compelled some doctors to relocate outside of Oregon.

By not advancing HB4130, the consequences will result in profit-driven healthcare oligopolies and widening of healthcare disparities with questionable ethics as revenue-generation supersedes what is in the best interest of the patient.

Sincerely,

Carmen Kavali MD

President, Physicians for Patient Protection