

Testimony to Senate Committee on Health Care  
Chair: Senator Deb Patterson  
Vice-Chair: Senator Cedric Hayden  
Members: Senator Daniel Bonham; Senator Wlnsvey Campos; Senator Chris Gorsek

February 26, 2024

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Chair Patterson, Vice Chair Hayden, and members of the Senate Committee on Health Care:

I am writing to ask for your support of House Bill 4130, which will help stabilize Oregon health care quality and access in Oregon by helping prevent a further corporatization of the practice of medicine in our state.

The health care “system” as we know it is crumbling. Everyday Oregonians are suffering as a result. We need our hospitals and providers but we don’t need insurance plans and conglomerates calling the shots that affect patient care and access.

The risk of a lack of access and services has been a close call or full on reality for patients served by PeaceHealth in Eugene; the maternity ward at the Saint Alphonsus Medical Center in Baker City; the behavioral health unit at Bay Area Hospital in Coos Bay; and at U.S. Renal Care dialysis facilities in Tillamook, to name a few.

At this moment, patients are currently concerned about the long-term availability of services provided in Corvallis due to an outside healthcare giant (UnitedHealth Group, one of the world’s largest healthcare companies) who are seeking to purchase the Corvallis Clinic. As House Speaker Rayfield was quoted saying in the Lund Report, “I’ve heard a great deal of apprehension regarding the potential impact of this acquisition on the quality and accessibility of health care services. Evidence suggests that investor-owned health care services, such as those owned by UnitedHealth Group, can lead to reduced care quality and access.”

Speaker Rayfield is absolutely right. Time and time again, corporations and private-equity groups see our longstanding, mature healthcare providers as an investment opportunity. The true north behind the actions and management decisions once these investors gain control is profits, not people.

And when the shareholders or other executive leaders decide they aren’t making enough money, reductions in services and or closures happen - which causes a lack of access and the need for Oregonians to travel much farther for care. For someone in labor, this can cause great risk to the mother and baby. For someone needing emergent care, this can jeopardize their likelihood of surviving and/or impact their clinical outcome in other ways. For someone needing dialysis multiple times a week, this can result in what one patient at the Tillamook clinic called “a

death sentence.” And still for others, it may result in them choosing to deprioritize seeking care and experiencing worsening chronic conditions; missed work; an inability to lead a healthy, thriving life; and reduced life spans.

Although I am submitting testimony on behalf of myself as an individual, my perspective is rooted in my experience as a Native Oregonian who has spent his life in Oregon outside my eight years serving abroad in the US Army; as a leader at the Department of Veterans Affairs; as Deputy Director of the Multnomah County Health Department, Oregon’s largest county public health department; as President of the Oregon Chapter of the American College of Healthcare Executives (ACHE), a 501c(3) that serves one of the leading professional societies for healthcare leaders in our state and internationally; and as President of Health Care for All Oregon (HCAO), a 501c(3).

I am a Board Certified Fellow in the American College of Healthcare Executives (ACHE) with over 25 years of healthcare experience. As the President of Oregon ACHE, I have been in conversations with fellow health executives, CEOs, and other senior healthcare leaders who are also frustrated with the state of health care today.

I am in conversation with leaders around the state who see the impacts of the corporatization of medicine and the (sometimes delayed) second and third order effects of mergers, acquisitions, and the influence of private equity groups (often outside the state).

This consolidation of health care, resulting in more and more smaller systems and/or private practice groups being acquired and controlled from outside interests often results in a lack of services to Oregon communities once those outside controlling interests deem the organization no longer in service of their profit-margins or bottom line.

To that end, let me conclude with a quote citing the wisdom of Oregon’s former governor and a nationally renowned healthcare leader, Governor John Kitzhaber, who most recently wrote in an editorial in the Lund Report: “The evidence on these acquisitions is bleak. Patient care declines, premature death increases, and costs go up. Because these acquisitions are concealed behind a maze of shell companies, subsidiaries and paper owners, we don’t know the full extent of the corporate takeover in Oregon. But we know enough to be worried. The accelerating corporate acquisition of medical clinics and other parts of the healthcare system is like a malignancy, with its metastases spreading across our state.”

I implore you to please vote yes and support House Bill 4130 to help mitigate the corporate practice of medicine in Oregon. Thank you.

Respectfully,

Valdez G. Bravo, FACHE  
US Army (1995-2003, OEF)  
Lake Oswego, Oregon (HD-38, SD-19)