

Submitter: AR Asthana  
On Behalf Of:  
Committee: Senate Committee On Health Care  
Measure: HB4130

I am writing in support of measure 4130B. As a physician in the Portland Metro area, I have seen the upheaval created during a transition to private equity backed groups. The false promise of more stable staffing environments with lower hospital costs are admittedly an attractive offer to both private practice groups and hospitals alike. However, as has been mentioned by many other supporters of this bill, the data on outcomes does not support the promised panacea that these groups provide. Outcomes are worse and care is ultimately dictated by costs rather than conscientious and thoughtful decision making.

In order to remain in the area, I myself decided over the last year to work within the paradigm of PE run groups. Although, I can say that my practice has minimally changed in one setting, I can also say that in another there is pressure to adjust my practice in order to provide cost savings. Decisions in this second setting were based on promises to deliver care in a manner that would provide cost savings to the hospital system. Ironically, the costs have ballooned as contracted workers have been employed to make sure that this group can claim that they are delivering on promises and their numbers look okay. However, it is likely only a matter of time before these exorbitant costs make the decision to leave the contract a more cost effective strategy. News is already circulating that the group will abandon the contract in the next year, if things do not improve. What should happen to care then?

In California a PE based plastics group has just declared bankruptcy leaving hundreds of practices in turmoil. A few years ago Envision declared bankruptcy leaving hundreds of practices floundering in order to pick up the pieces. Even Sound Physicians was recently downgraded in its credit line by national banks. Ultimately, those who lose out are the patients. They are left with strangers from outside the community taking care of them or even worse with no care at all as happened with the dialysis clinics in rural Oregon.

There is no perfect answer, but there is a better way to go about the care of Oregonians. Seven years is plenty of leeway to allow for care to pivot to a long term sustainable model for all our patients.