



February 26, 2024

Dear Chair Patterson and members of the Senate Committee on Health Care:

My name is Dr. Eric Hester and I am a practicing dermatologist with Dermatology Associates in Tigard. I'm writing in opposition to HB 4130, which would prevent my practice from continuing to contract for administrative services support and could result in my practice shrinking or closing.

Dermatology Associates contracts with a management services organization (MSO) for administrative services support. Since partnering with an MSO in 2022, our practice has and is in the process of expanding access to care to our community by adding additional providers and making investments in our facilities to both expand our current space and adding an additional practice location. The support I get from our MSO partner is part of what enables me to stay in independent practice and increase capacity to meet the clinical needs of Oregonians.

Like the proponents of this bill, I strongly believe that no MSO should interfere with the clinical judgement of physicians in the practice. That is why our contract complies with the corporate practice of medical doctrine by prohibiting the MSO from exerting any influence over a physician's independent medical judgment. The current CPOM doctrine would make any effort on the part of our MSO to do so void and unenforceable. HB 4130 goes far beyond that to limit a physician's freedom of contract. My partnership with our MSO has *not* adversely impacted my clinical care. In fact I continue to lead the clinic in providing exceptional medical care without any MSO influence over clinical decision making.

HB 4130 would have severe and negative consequences on many independent physician practices around the state. Any physician who enters into an administrative services agreement would face the risk of losing their physician practice through administrative dissolution, while the private equity firms and MSOs this bill supposedly targets would face no legal consequences. This is both unfair to physicians and contrary to the stated intent of the legislation. This will ultimately lead to fewer practicing providers in Oregon.

There are many ways Oregon could strengthen its efforts to ensure corporate money is not influencing patient care. However, this legislation will just harm independent practices and reduce access to care. Please oppose HB 4130.

Sincerely,

Eric Hester, MD

