

Submitter: Ivana Jankovic  
On Behalf Of:  
Committee: Senate Committee On Health Care  
Measure: HB4130

I am writing in support of Oregon House Bill 4130 of the 2024 legislative session, which seeks to limit the corporate control of medicine and void non-compete clauses for health care providers.

Profit-driven corporate entities, including private equity firms, have been shown to adversely affect the care of patients while increasing healthcare costs after assuming control of medical practices. Businesspeople with no medical training should not be in positions of clinical power when Oregonians' lives and well-being are at stake.

A large review of studies on private equity in healthcare found that "the most unequivocal evidence points to PE ownership being associated with an increase in healthcare costs to patients or payers, primarily by increased charges and negotiated higher rates with payers. Evidence across studies also suggests mixed impacts of PE ownership on healthcare quality, with greater evidence that PE ownership might degrade quality in some capacity rather than improve it."

(Borsa A, Bejarano G, Ellen M, Bruch JD. Evaluating trends in private equity ownership and impacts on health outcomes, costs, and quality: systematic review. *BMJ*. 2023 Jul 19;382:e075244. doi: 10.1136/bmj-2023-075244. PMID: 37468157; PMCID: PMC10354830.)

The second aspect of this bill is eliminating non-compete clauses for health care workers. These anti-competitive clauses lock healthcare workers into one system, skewing the division of power between employer and employee even further. Not only do these clauses limit competition and degrade healthcare working conditions, they also prevent clinicians from "voting with their feet" when faced with unsafe practices. The federal government has already identified non-competes as serious threats to employees' fair participation in the labor market. Oregon can position itself as a leader in getting ahead of this trend to support healthcare workers.