

2 March 2024

Chairman Lieber, Senators Knopp, Hansell, Manning, and Steiner,

In the time since debate HB 4130 began in committee, a lot has happened. The bill cleared the house. In my own field of Anesthesiology, the impact of private equity has reached the level of state AGs, the FTC, and DOJ making moves on private equity players in medical practices.

[Colorado AG breaks up USAP anesthesia practices in Colorado](#)

This is the same issued I had emailed on last time.

[DOJ investigating United Healthcare](#)

United Health Care's Optum service group has already made headlines in Oregon for their Anesthesia Management Company, Sound Anesthesia, taking over anesthesia services at Providence St. Vincent Hospital and Providence Portland, where surgical care is still being delayed due to staffing shortages.

I'm sure you have heard from some of the opposition to this bill. Clearly the private equity and shareholder backed firms have an interest in keeping this line of business open. For the minority of physician groups you have heard from, it's important to look at the big picture. No question, outside ownership can bring in much need financial support that keeps practices viable, in the short term, however the pattern that continues to repeat is the long-term consequences of outside operational control finally catching up. Colorado is a perfect example. Data from a variety of sources supports this claim. When one reviews the literature, this pattern persists.

[The British Medical Journal Recently did a review of existing literature on the](#)

[subject.](#) the impact was largely negative, across multiple studies. More cost to patients, worsening staffing ratios. The oncology practice that sells to private equity today, may not be able to offer the same level of service, access to trials, or accept the same payor mix tomorrow when the ownership decides a service line is no longer profitable.

Please support moving HB 4130 forward to the State Senate for a vote.

Sincerely,

R. Paul Tostenrud, MD
Portland, OR