



MEMORANDUM

To: Sen. Kate Lieber, Chair, Senate Rules Committee
Sen. Tim Knopp, Vice-Chair, Senate Rules Committee
Members of the Senate Rules Committee
From: Mark Bonanno, General Counsel and Vice President of Health Policy
Date: March 5, 2024
Re: OMA Comments on HB 4130-B with -B15

The Oregon Medical Association (OMA) is a nonprofit organization that serves and supports over 7,000 physicians, physician assistants, and medical and PA students in Oregon so they can remain focused on patient care.

We support efforts to better enforce Oregon's corporate practice of medicine doctrine through HB 4130. We value Representative Bowman's leadership on the bill and willingness to work through amendments that ensure we do no harm to Oregon's medical clinics and clinicians.

The -B15 amendments helped clarify two of our concerns with HB 4130-B. The bill could have placed a new and significant legal burden on clinics regarding a potential expansion of employment actions and that was removed for future discussion and refinement. Further, there was an inconsistency about the types of employers that could impose a restrictive covenant against a physician and an amendment help clarify that the use of noncompete, nondisparagement, and certain types of nondisclosure provisions will no longer be an acceptable practice for employed physicians across all employers including hospitals.

We believe in the goal of the bill, that clinicians should remain in charge of patient care. That said, there will be more to do beyond this session.

This bill focuses more on the structure of medical clinics and provisions of physician employment agreements. For the goals of this legislation to be achieved, there will need to be attention paid to investigating and responding to improper conduct that reduces access to care, reduces quality of care, or increases the price of care. At the federal level, the Federal Trade Commission is doing this now and here, the Oregon Department of Justice also should be called upon to investigate anticompetitive activity.

Finally, it will be critical to monitor implementation of the bill to ensure no harm clinics, clinicians and patients.

We look forward to having further discussions in upcoming sessions about supporting the overall goal of this bill. And moving policy that will help clinics stay independent.