

March 3, 2025

The Honorable Deb Patterson, Chair Senate Committee on Health Care State Capitol 900 Court Street, NE Salem, OR 97301

Re: Oppose SB 951

Dear Chair Patterson and members of the committee:

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – I write regarding your proposal concerning **SB 951**. By prohibiting doctors from partnering with management services organizations (MSOs), this bill will force doctors to spend less time with patients, stifle innovation, and limit choices for independent practices.

Prohibiting partnerships between MSOs and medical providers would force doctors to spend more time on administrative tasks and less time with patients. MSOs allow doctors to partner with experts in administration and technology, allowing them to focus more on providing medical care. Studies show that administrative tasks and paperwork take up more time for physicians than actual patient care. Physicians only dedicate about 27% of their office days to direct clinical face time while spending 49% of their time on electronic health records. By partnering with business and technical experts who can improve record management, doctors could spend more time providing patient care.

Oregon already faces significant challenges in healthcare provider availability, particularly in rural areas. Many rural regions in Oregon are designated as Health Professional Shortage Areas (HPSAs), receiving federal resources to improve healthcare access due to a shortage of healthcare professionals.<sup>2</sup> As of January 2025, the state has 150 HPSAs, with 106 designated as primary care HPSAs, affecting approximately 833,799 residents.<sup>3</sup> Forcing doctors to devote more of their time to non-medical tasks would only exacerbate this shortage by reducing their availability.

<sup>&</sup>lt;sup>1</sup> Id.

<sup>&</sup>lt;sup>2</sup>https://www.oregon.gov/oha/hpa/hp-pco/pages/hpsa-designation.aspx

<sup>&</sup>lt;sup>3</sup>file:///Users/chamberofprogress/Downloads/BCD\_HPSA\_SCR50\_Qtr\_Smry%20(2).pdf at p.7



This bill would also stifle innovation in the medical field by blocking investments and collaboration with technical experts. In addition to administrative support, MSOs can allow physicians to partner with technology firms. These partnerships enhance medical services or expand patient access. For example, telehealth partnerships can alleviate transportation and mobility issues. People with access to telehealth services see lower prices for treatment and are less likely to visit emergency departments. For the hundreds of thousands of residents in HPSAs in Oregon, access to telehealth services could lead to better health outcomes and lower medical costs.

Finally, this bill would limit options for independent practices. If partnerships with MSOs are prohibited, physicians looking to expand their practices would have fewer avenues to grow without partnering with larger hospital systems. Hospital consolidation in Oregon has been a notable trend over the past few decades, leading to significant changes in the healthcare landscape. Since 2000, the number of independent hospitals in Oregon has declined by 43%. This consolidation has contributed to rising healthcare costs. Between 2013 and 2019, healthcare spending in the state increased by 49%, far outpacing the national growth rates for health spending, income, and inflation. As large healthcare systems gain control over more hospitals and services, they can increase prices without the pressure of market competition, ultimately making healthcare less affordable for Oregonians.

Eliminating partnerships MSOs would deny physicians critical investments that can improve care and promote competition with larger hospital systems. This bill risks reducing physician availability and eliminating innovations that make healthcare more affordable and more accessible for Oregonians. We urge you to **oppose SB 951.** 

Sincerely,

**Robert Singleton** 

Senior Director of Policy and Public Affairs, California and US West

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<sup>4</sup> https://pubmed.ncbi.nlm.nih.gov/35666556/

https://compassionandchoices.org/news/new-white-paper-on-healthcare-consolidation-in-oregon-reveals-trend-likely-to-accelerate-jeopardizing-access-to-care/