



Chair Patterson, Vice-Chair Hayden, and Members of the Committee:

My name is **Ryan Farwell**, CEO of **Salem Clinic**. Today, I am writing to express **Salem Clinic's strong support for SB 951**, a critical piece of legislation that will protect the integrity of medical practice in Oregon by ensuring that physicians retain ultimate authority over decisions which impact patient care. The bill also **protects the independent practice of medicine** by **permitting independent physician groups** who do not contract with management services organizations to continue to use **mutually beneficial non-compete agreements**.

At **Salem Clinic**, we are a physician-owned organization dedicated to providing high-quality, patient-centered care. Our nearly 60 physician-owners have committed their careers to the health and well-being of our patients, upholding the highest standards of medical ethics and professionalism. At the same time, we recognize that operating a medical practice requires balancing **financial sustainability** with our **commitment to patient care**. This balance is foundational to the stability of Oregon's healthcare system and is upheld by the **corporate practice of medicine doctrine**, which has been in place in Oregon since 1947 and is recognized in more than **30 other states**. This doctrine ensures that medical decisions remain in the hands of physicians, prioritizing patient welfare over corporate or financial interests.

Salem Clinic's mission is to provide high-quality, physician-led care that prioritizes the health and well-being of our patients. However, **vertically integrated insurance companies and private equity firms do not always share this commitment**. Their primary obligation is not to patients or communities but to **shareholders and investors**, with financial returns as their driving force. Unlike physicians, these corporate entities are **not bound by a professional oath** to put patient welfare first, nor do they carry the ethical responsibility of making clinical decisions in the best interests of those they serve.

Instead, their focus on profit often results in **denials of medically necessary care, reductions in critical support staff, and an emphasis on high-margin, low-value treatments**—all of which undermine patient outcomes and place **additional strain on physicians and frontline healthcare workers**. Without strong protections, like those outlined in **SB 951**, these corporations will continue to expand their control over medical decision-making, further eroding the **corporate practice of medicine doctrine** and shifting the focus from patient care to profit.

This is a **practical and necessary reform**. **SB 951 does not block private equity from investing in health care, nor does it prevent medical groups from partnering with Management Services Organizations** for administrative and operational support. Instead, it

reinforces a fundamental principle: physicians must have **the final say in clinical decisions**—decisions that directly affect **patient outcomes, safety, and quality of care.**

SB 951 is a measured response to growing concerns about corporate influence in medicine. It addresses critical gaps in oversight and **ensures that medical decision-making remains in the hands of those who are trained, licensed, and bound by ethical standards to prioritize patient care.** Oregon's physicians must have the ability to **practice evidence-based medicine** and tailor treatments to the unique needs of their patients—free from external financial pressures.

Crucially, **SB 951 preserves the ability of physician-owned medical groups, like Salem Clinic, to use mutually beneficial non-competition agreements.** These agreements are an essential tool for maintaining **stability, continuity of care, and the long-term viability of independent medical practices.** By ensuring that physician-owners remain committed to their practice and their patients, **these agreements help protect the integrity of independent medicine in Oregon**—providing an alternative to corporate-controlled models that prioritize profits over patient care. The ability to retain these agreements allows **physician-led practices to remain competitive, sustain high-quality care, and continue serving their communities for years to come.**

Salem Clinic strongly supports **SB 951** as an essential safeguard for **preserving the integrity of Oregon's healthcare system** and protecting the physician-patient relationship.

Sincerely,

A handwritten signature in black ink that reads "Ryan Farwell". The script is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Ryan Farwell, CEO
Salem Clinic