

Dear Members of the Oregon Senate Healthcare Committee

I am writing to express my 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.

As a student physician, I have dedicated my life to the health and well-being of my patients. I have undergone, and will continue to receive, years of medical training, taken an oath to prioritize patient welfare above all else, and am building a career centered on the trust my patients will place in me. At the same time, I recognize that medicine is also a business. Running a medical practice requires balancing financial sustainability with ethical patient care. This balance is the core of our healthcare system, preserved by the corporate practice of medicine doctrine that has existed in Oregon since 1947—a doctrine which more than 30 other states have also adopted.

Private equity firms and large corporate entities do not take an oath to serve patients like I do. They do not undergo the rigorous training required to make clinical decisions. They are not charged with balancing patient care and business interests. Yet, in the absence of strong protections like those proposed in SB 951, these entities are gaining increasing control over medical decisions. Loopholes in the existing doctrine have allowed outside entities to exert undue influence over clinical decision-making, effectively compromising the corporate practice of medicine doctrine which is still the law of the land in Oregon.

We have already seen the real-world consequences of this issue unfold in Oregon. At the Oregon Medical Group, corporate restructuring driven by financial interests abruptly severed patients from their longtime doctors, disrupting continuity of care and leaving many scrambling to find new providers in an already overburdened system. This upheaval wasn't the result of medical necessity or evidence-based decision-making—it was a business decision made by executives with no medical training. When profit-driven entities dictate clinical operations, patient care becomes secondary to financial objectives, leading to poorer health outcomes, increased strain on remaining providers, and a loss of trust in our healthcare system. Since 2020, this dynamic has continued to occur across the state.

This is not a radical proposal. This bill does not ban private equity. It does not prohibit professional medical entities from contracting with Management Services Organizations for business and administrative support. It simply ensures that physicians retain ultimate authority over clinical matters—decisions that directly impact patient health and safety.

SB 951 is a necessary and reasonable step to close these loopholes and restore decision-making power to those who are trained, licensed, and ethically bound to care for patients. Oregon's physicians must be empowered to make medical decisions based on science, evidence, and individual patient needs—not financial incentives dictated by private equity firms.

I urge support of SB 951 as one of many important steps to protect the integrity of our healthcare system.

Sincerely,

Katrina Schmidt