

March 5, 2025

Senator Deb Patterson, Chair Senate Committee on Health Care Oregon State Legislature 900 Court St NE Salem, OR 97301

RE: Support for Senate Bill 951 – Strengthening Oregon's Corporate Practice of Medicine Doctrine

Dear Chair Patterson, Vice Chair Hayden, and Members of the Senate Committee on Health Care,

The Oregon Association of Naturopathic Physicians (OANP), writes in strong support of Senate Bill 951. This critical legislation aims to modernize and reinforce Oregon's Corporate Practice of Medicine (CPOM) doctrine, protecting patient-centered care and preserving the autonomy of independent medical practices.

The increasing role of private equity (PE) in healthcare presents significant risks to patient care, clinician autonomy, and the long-term viability of medical practices. While private equity acquisitions may provide short-term financial relief to clinic owners, research indicates that these investments often result in higher patient costs, decreased quality of care, and an erosion of physician decision-making in favor of financial returns.¹

SB 951 takes important steps to close existing loopholes that enable corporate control of medical practices through Management Services Organizations (MSOs). By restricting undue influence over clinical decisions, limiting restrictive and non-

¹ https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10354830/

² https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9125965/



compete contracts that erode physician autonomy, and preventing the employment of "captive physicians" or physicians who are, in essence, employees of MSOs, to circumvent CPOM rules, this bill upholds the principle that healthcare decisions should be made by medical professionals, not corporate executives.

As naturopathic physicians, we are deeply committed to ensuring that all Oregonians have access to high-quality, patient-centered care. Corporate ownership models that prioritize financial interests over patient outcomes undermine the integrity of our healthcare system and exacerbate physician burnout. SB 951 aligns with OANP's mission to advocate for policies that support independent medical practice and fair competition within the healthcare sector.

We also emphasize the importance of robust enforcement mechanisms to prevent corporate interests from circumventing these protections. Strengthening regulatory oversight, enforcing existing laws such as the Stark Law and False Claims Act, and ensuring transparency in ownership structures are essential to safeguarding patient care.³

For these reasons, OANP urges the passage of SB 951 to reinforce Oregon's longstanding commitment to patient-first healthcare and physician well-being. We appreciate Representative Bowman's leadership on this issue and stand ready to collaborate with policymakers to ensure this bill's success.

Sincerely,
Oregon Association of Naturopathic Physicians

³ https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10699936/

⁴ https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6682417/