



TECHNET
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INNOVATION ECONOMY

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March 6, 2025

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

RE: SB 951 Relating to the practice of health care.

Dear Chair Patterson and Members of the Committee:

Thank you for the opportunity to comment on SB 951 which is being considered by the Senate Committee on Health Care.

I am Rose Feliciano, Executive Director of Washington + Northwest for TechNet. TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance. TechNet has offices in Austin, Boston, Chicago, Denver, Harrisburg, Olympia, Sacramento, Silicon Valley, Tallahassee, and Washington, D.C.

TechNet members include a variety of healthcare entities, serving patients for conditions including primary care, reproductive health, optometry, sexual health, obesity and behavioral health. TechNet agrees and supports the overall intent of the legislation to ensure clinical decisions remain in the hands of providers. We appreciate the sponsor's willingness to consider our suggested amendments on how to make this bill more workable.

While we agree that medical entities in Oregon should have the ultimate decision-making authority regarding practice management decisions which directly impact clinical decision-making and quality of medical care, we ask that the bill remove certain language suggesting restrictions which could potentially impact how a management services organization (MSO) is able to provide business and administrative support services. These activities support practitioners' care and free up Oregon-licensed clinicians to focus on providing care that best meets the needs of each individual patient.

TechNet is concerned that this bill could impact practitioners' access to essential business support and technology platforms they need in order to focus on what they do best: patient care. Rather than limiting options for provider practices, our state should encourage

innovative partnerships that help physicians operate efficiently, secure much-needed funding and improve patient care.

Physician groups partner with MSOs to be able to innovate, build, and deploy new and affordable models of care. These care models are currently serving Oregon patients, addressing provider shortage, and ensuring patients receive care where and when they need it.

When independent practices lose access to sophisticated business resources and capital, they often must close or sell to large hospital systems due to increasing cost pressures - reducing competition, driving up healthcare prices for employer health plans, patients, and taxpayers, and limiting patient choice.

TechNet recommends you remove references that suggest an MSO may be unable to have *de facto* or other involvement in providing non-clinical support services, including business or administrative tasks. Again, the MSO, pursuant to a contract with a medical entity, provides supportive, operational administrative functions, such as software, technology, payroll, accounting or legal services. These services do not have impacts on clinical decision-making or care. Rather, they allow clinicians to focus on what they do best - providing patients with the care and attention they need and deserve.

In addition, the prohibition on allowing a management services organization to advertise access to services provided by a medical entity will likely impact TechNet members. Advertising by MSOs is already highly regulated at the federal level by agencies such as the Federal Trade Commission (FTC). Creating a state-level standard will merely increase compliance costs around advertising (falling hardest on smaller practices), without a clear link to improving patient care or physician autonomy over clinical decision-making.

TechNet also has concerns surrounding the non-disclosure agreement (NDA) prohibition in Section 7. We agree that licensees who engage in a protected activity, such as making good faith report to a regulator that an entity is violating applicable state or federal law should not be subject to discipline. However, the bill proposes a contradictory requirement that both allow a licensee to disclose "any information the licensee possesses" and at the same time not "trade secret or proprietary" information.

This introduces a complex and confusing standard that risks protracted litigation and drawing arbitrary lines around what is and is not trade secret or proprietary information. Hospitals and MSOs need certainty that their proprietary and confidential information will remain protected. Further, NDAs, generally viewed as customary across industries, should not be viewed as invalid simply because they are in the healthcare context. Hospitals and MSOs alike need reassurances that their investment in cutting-edge and innovative systems, technology, processes and other proprietary business aspects are protected.

I appreciate your consideration of TechNet concerns with SB 951. We would welcome the opportunity to work with you on legislation. I can be reached at rfeliciano@technet.org or 206-326-0712.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rose Feliciano', followed by a horizontal line.

Rose Feliciano
Executive Director
Washington + Northwest