

March 13, 2025

To: Senate Committee on Health Care Hearing on SB 539

From: Consumer Alliance of Oregon

Dear Senator Patterson and members of the committee,

Thank you for the opportunity to provide testimony **in support of SB 539**, which protects Oregonians from surprise hospital facility fees on behalf of the Consumer Alliance of Oregon.

The Consumer Alliance of Oregon, composed of community-based organizations, nonprofits, subject matter experts, and national advocacy groups, **champions the rights and interests of Oregon consumers.** Our coalition prioritizes the needs of communities most harmed by predatory financial practices, including communities of color, low-income families, and older Oregonians.

Right now, Oregon families are forced to make hard choices between paying for medical care or other basic needs. In 2024, more than <u>three in four</u> Oregonians had a hard time affording healthcare services because of cost, leading them to delay or go without care completely. Unsurprisingly, Black, Hispanic, low-income communities and women are the hardest hit. Additionally, <u>nearly half</u> of adults in Oregon say they would struggle to pay a \$1,500 medical bill.

Facility fees are extra charges for receiving services at hospital-owned facilities, including doctor's offices and clinics off the hospital's main property. **These fees regularly exceed the cost of the care provided and are often not completely covered by insurance, turning simple, inexpensive procedures into major—and unexpected—financial setbacks for Oregon families.**

Oregon currently has no limits or standardization for how much a patient can be charged for a facility fee, meaning these unexpected fees can range between \$15 to even more than \$1,500. A Portland resident with a chronic condition <u>recently experienced this sticker shock</u> firsthand, when her rheumatologist's office started charging her a \$99 facility fee on top of the \$40 copay she normally pays for a visit. **Hospitals also make it difficult to understand why or when these fees are billed, making it next to impossible for Oregonians to predict or plan for these surprise healthcare costs.**

Oregonians overwhelmingly support fairer and more transparent hospital billing. <u>Nearly all</u> voters – including 93% of Democrats and 90% of Republicans – believe hospitals should provide up-front

cost estimates to consumers. Three in four voters support legislative action to ban hospitals and clinics from charging these hidden facility fees.

We urge the committee to support SB 539, which would protect people from hidden facility fees and put Oregonians above hospital system profits. Thank you for your consideration.

Sincerely,

Members of the Consumer Alliance of Oregon

Bienestar Centro Cultural DevNW Latino Community Association Oregon Consumer Justice

Disability Rights Oregon Leukemia & Lymphoma Society Micro Enterprise Services of Oregon Reimagine Oregon NAYA Action Fund Oregon Consumer League

Oregon Health Equity Alliance OSPIRG Suma Oregon Food Bank