

March 13, 2025

The Honorable Deb Patterson Chair, Senate Committee on Health Care 900 Court St NE, S-411 Salem, OR 97301

The Honorable Cedric Hayden Vice Chair, Senate Committee on Health Care 900 Court St NE, S-315 Salem, OR 97301

RE: Senate Committee on Health Care Public Hearing on SB 539

Chair Patterson, Vice Chair Hayden, and Honorable Members of the Committee,

My name is Kelsey Wulfkuhle, and I serve as Senior Advocacy Manager for United States of Care (USofCare), a non-partisan, non-profit organization working in states like Oregon and across the country to ensure <u>everyone</u> has access to quality, affordable health care.

Thank you for the opportunity to provide testimony **in support of <u>SB 539</u>**, which would build upon Oregon's longstanding work to lower health care costs by protecting Oregonians from unexpected hospital facility fees.

Unfortunately, despite meaningful progress made by this legislature to lower the cost of care, health care remains unaffordable for many state residents. One of the main drivers of these high costs can be traced to <u>health care consolidation</u> in Oregon and across the country. As health systems consolidate and purchase outpatient clinics, such as primary care clinics and imaging centers, they are increasingly able to bill patients for so-called "facility fees." These hidden fees, charged in addition to fees covering the provider's services, are often not covered by insurance and can lead to high out-of-pocket costs. Even worse, facility fees are not associated with any changes in the type or quality of care provided to a patient, making the physical location where you receive services the defining factor.

Oregon currently has no laws regulating these fees, however USofCare has supported states across the country in protecting people from facility fees over the past several years. To date, <u>eighteen states</u> have passed laws, while at least 15 states have introduced bills this session to address facility fees. Notably, we have seen facility fee laws garner broad bipartisan support in states like <u>New York</u>, <u>Maine</u>, <u>Indiana</u> and <u>Ohio</u>.

SB 539 mirrors <u>Connecticut</u>'s protections, prohibiting facility fees for certain routine medical services and in hospital-owned outpatient clinics. Similar to neighboring <u>Washington</u>'s law, the bill also requires facilities to provide patients advance notice of any facility fee before their

appointment. Notably, we have seen no discernible impact on hospital revenues or financial stability due to any state law limiting facility fees. With Oregon leading in so many other ways on health care affordability, this bill is the logical next step to address high health care costs and protect Oregonians.

For these reasons, and on behalf of United States of Care, I strongly encourage the Committee to vote "yes" in support of SB 539. I thank the Committee for its work on this issue and urge you to consider United States of Care as a resource moving forward.

Sincerely,

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