

March 14, 2025

Senator Deb Patterson, Chair Senator Cedric Hayden, Vice-Chair Senate Committee on Health Care Oregon Legislative Assembly 900 Court St. NE Salem, OR 97301

Re: Support for Senate Bill 539

Chair Patterson, Vice-Chair Hayden and Members of the Committee:

The PacificSource companies are independent, not-for-profit health insurance providers based in Oregon. We serve over 600,000 commercial, Medicaid, and Medicare Advantage members in three states. PacificSource Community Solutions is the contracted coordinated care organization (CCO) in Central Oregon, the Columbia River Gorge, Marion & Polk Counties, and Lane County. Our mission is to provide better health, better care, and better value to the people and communities we serve.

We write to express our support for SB 539, a bill designed to cut down on surprise fees our members may face simply for accessing a facility for care. As hospitals continue to bring local clinics into their geographic footprint, members who received care at a formerly independent clinic may find they will experience increased costs simply for setting foot in the building. This was the case of a recent transaction involving a local hospital and an orthopedic clinic reviewed by the Health Care Market Oversight program within the Oregon Health Authority.¹ The hospital was required to include coverage of facility fees as a function of their financial assistance offered to all qualified patients. This is a win for consumers who may experience increase costs because of this acquisition.

These kinds of fees should not be reviewed on a case-by-case basis but instead be regulated for all providers. Senate Bill 539 is a step forward toward making these fees more reasonable and transparent. Members will have more information about what kinds of fees they might experience from their providers, and limits the proliferation of fees to facilities without a reasonable relationship to the hospital's campus.

Sincerely,

Richard Blackwell Director, Oregon Government Relations

PacificSource.com

¹ See In the Matter of the Proposed Material Change Transaction of St. Charles Health System, Inc., and Neuromusculoskeletal Center of the Cascades, P.C., Transaction ID: 035 (available at <u>https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/035-Final-Order.pdf</u>)