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David A. Cauble  
President & CEO

March 27, 2025

Senate Committee on Health Care  
Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

**Subject:** Testimony in Opposition to SB 1060

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

Thank you for the opportunity to provide testimony in opposition to Oregon Senate Bill 1060. My name is David Cauble and I serve as the President and CEO for Sky Lakes Medical Center, a rural healthcare provider serving Klamath County and surrounding areas.

Sky Lakes Medical Center has consistently demonstrated excellence in patient care, as evidenced by our numerous awards and recognitions. We recently received the Performance Leadership award from The Chartis Center of Rural Health and National Organization of State Offices of Rural Health, reflecting top performance among rural hospitals nationwide. Our ICU/Critical Care Unit earned a silver-level Beacon Award of Excellence from the American Association of Critical-Care Nurses in 2023. Additionally, we have been recognized for our stroke care, maternity care, and overall hospital safety.

Sky Lakes Medical Center strongly opposes SB 1060, which would create new burdensome and punitive administrative requirements on Sky Lakes diverting precious resources from our focus on patient care, forcing us to spend more on paperwork and lawyers. Sky Lakes is already subject to federal requirements related to price transparency. In September 2023 the Office of Inspector General completed a Hospital Price Transparency audit, finding Sky Lakes in full compliance with federal requirements. Adding additional state level requirements will only increase administrative time and resources for something that has already been found to be in compliance with federal regulations.

Sky Lakes will soon be the last independent PPS reimbursed hospital in the State of Oregon. Over the past 3 years Sky Lakes has operated financially either in the red or slightly above break even while continuing to serve the complex medical needs of our community without any disruption to services. Over 76% of the patients we serve are currently on Medicaid or Medicare where rates for services are established at the state and federal levels. Any additional expense, not directly related



to the care of our patients, creates a new burden on resources and further jeopardizes our ability to remain financially stable and independent.

Increasing the unnecessary administrative burden on the Oregon Health Authority (OHA) will inhibit their ability to execute the primary responsibilities of the agency and will further impair our ability to meaningfully engage the agency in current areas of concern. The administrative delays already created by the OHA oversight burden frequently result in weeks and often months spent working to obtain approval to proceed with needed services or to resolve identified concerns. Increasing OHA oversight for a requirement that is fully and sufficiently addressed at the federal level is an unnecessary burden for both the agency and hospitals across the state.

SB1060 is unnecessary and overly burdensome regulation that provides no new benefit to the patients we serve and will only serve to increase administrative cost and expose hospitals, like Sky Lakes, to additional legal expense defending against plaintiff attorneys pursuing a private cause of action. We urge you to oppose SB 1060 and help prevent an increase in administrative costs that will bring harm to Sky Lakes and further erode our ability to care for the communities we are privileged to serve.

Respectfully,

A handwritten signature in blue ink that reads "David Cauble". The signature is written in a cursive style with a large initial "D".

David Cauble  
President and CEO  
Sky Lakes Medical Center