



March 28, 2025

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

RE: SB 1060, relating to standard charges established by a hospital

Madam Chair and members of the committee,

My name is Robert Seymour and I am the CFO at Grande Ronde Hospital in La Grande Oregon. My testimony is in opposition to Senate Bill 1060. First of all we were one of the hospitals called out in the OSPIRG report. We believe we are compliant with the price transparency regulations, we verify our price transparency files with the CMS validator tools and have them linked on our website. What happened during the time that OSPIRG was doing their testing was that the link on our website was broken due to an update to the website backend. I would question why OSPIRG didn't mention to us that our link was obviously broken. We didn't realize the link was broken until the OSPIRG report came out. We had it fixed within 2 hours of our receipt of the report. The fact that no one had mentioned this to us makes me wonder if our community uses this information other than those data aggregators whose purpose is to aggregate the data and sell it to hospitals for competitive purposes. I receive several emails a week wanting me to buy aggregated price comparison data. By the way, we now have an employee whose job it is to periodically test our website price transparency links so this doesn't happen again.

I would also like to point out that the federal government has very specific requirements for good faith estimates to be provided to patients. If a patient schedules at least 3 days in advance and they are uninsured or if their out of pocket cost is expected to be greater than \$500, we are required by regulation to provide a good faith estimate to the patient prior to the service being performed. If the services final bill is \$400 or more than the good faith estimate and there were no additional complications arising during the procedure, the excess bill can be contested. The Oregon Division of Financial Regulation is enforcing these federal regulations. In all cases, receiving a written estimate from the hospital is better than looking things up on a price list and believing the correct procedural codes have been chosen or even the correct "shoppable service" has been chosen.

Here at Grande Ronde Hospital we have three full-time employees whose only job is to provide these required estimates and help people sign up for financial assistance. Grande Ronde Hospital has had have a very generous financial assistance policy for many years. One of the major challenges in the health care arena these days is all of the regulations and reporting required by federal and state regulations. We employ a number of people whose job it is just to ensure compliance with these regulations. This can be financially and

operationally difficult for small and rural hospitals, and takes resources away from patient care.

Another challenge we have as a rural hospital to be in compliance with SB 1060 would be our electronic medical record system. The Epic electronic medical records system is a great system and has a great many features but the only way we can get this system as a small, independent hospital is through a partnership with a larger health system. Epic will not sell directly to a hospital as small as ours. We have a partnership with Providence Health System for using Epic for our medical records, but there are some limitations due to the evolution of the development of Epic. One of these limitations is pharmacy pricing. Pharmacy prices in Epic are set by acquisition cost times a multiplier. The limitation in Epic that would make HB 1060 almost impossible to comply with is that acquisition cost in this shared Epic system is not our acquisition cost but Providence's acquisition cost, which is different than ours. Therefore our price for pharmaceuticals charged to the patient changes whenever Providence inputs a price change into the shared Epic system. There are a number of small independent and special district rural hospitals in Oregon who access the Epic electronic medical records system in partnership with larger systems. CMS requires price transparency files to be updated once per year. The way Senate Bill 1060 is written would require continuous updating of the file. I would need to add a full-time employee whose only job is to update our Price transparency files in order to comply with Senate Bill 1060 with or without the -1 amendment. The bill without the -1 amendment would require a more substantial amount of staff time and additional costs to implement with a marginal benefit to the patient over the already in effect federal regulations.

Rural hospitals are struggling these days. Grande Ronde Hospital's operating margin has deteriorated substantially over the last two years due to inflationary pressures, mainly from wage and supply cost inflation. We have always been proud of our investments in having a wide range of quality services available to our Eastern Oregon residents so they do not have to travel long distances for most healthcare needs. Having more state regulation that duplicates, but does not perfectly align with federal regulation, causes much more work and much uncertainty in the healthcare system with limited patient benefit not commensurate with the cost. Don't forget that these additional costs are born disproportionately by commercial payors as commercially insured patients are the only ones who pay for the full cost for care and subsidize Medicare and Medicaid, which does not cover the actual cost of healthcare services.

My suggestion would be for Oregon to direct a state agency such as the Division of Financial Regulation, or the Oregon Health Authority, to verify healthcare providers in the state are compliant with federal regulation and if not, work with the providers to become compliant. If they refuse, report them to the federal government for enforcement. Enforcing existing regulations is much better than the duplication of effort and the costs SB 1060 would require.