

I am Michael Huntington, MD, a retired radiation oncologist from Corvallis, testifying in support of SB 951.

In March 2024, Optum/UnitedHealth Group (UHG) applied for permission from the Oregon Health Authority (OHA) to merge with the Corvallis Clinic. Of 327 public comments received by the OHA, 310 expressed opposition to the transaction. In addition, the OHA received a petition opposing the transaction signed by over 600 individuals [6](#). Of 38 healthcare providers, 37 opposed the merger. Why did so many Oregonians oppose the merger?

UHG has long alienated people in Oregon and around the nation because of delays reimbursement delays to providers and well-documented fraudulent business practices.[1](#) In 2023, just months before the UHG/ Corvallis Clinic merger, Samaritan Health Services, based in Corvallis, terminated its contract with UHG's Medicare Advantage program because of its habitual delays and denials. [2](#) In February 2024, many hospitals and clinics faced a cash flow emergency triggered by a cyberattack on Change Healthcare — another UHG subsidiary. [3](#) The clinic refused to comment on whether the cyberattack worsened the clinic's financial crisis.

In the face of such overwhelming evidence against UHG, why did the OHA approve the merger? Because there were too many loopholes in the Oregon law, (ORS) §§ 415.500, to 415.900 intended to protect Oregon's control over its healthcare system. A major loophole was and is an emergency exemption clause in the statute. [4](#) SB 951 will close or at least tighten this loophole and others.

SB 951 will mitigate the harm (see examples below) from private equity control of healthcare services:

- A private-equity-backed dialysis clinic in Tillamook announced an abrupt shutdown, leaving the rural community with few options. One woman said, "Two or three people have said they're just going to call it a day, stop dialysis, and go home to be with the Lord in a couple of days."[5](#)
- Private-equity-owned Sound Physicians (In part owned by Optum/UHG), which won the Providence anesthesiology contract, led to a 50% decline in surgeries and thousands of cases canceled. [6](#)

SB 951 will close the loopholes that allow management services organizations (MSOs) to control clinics through nominal physician-owners. (ORS) §§ 415.500 to 415.900 currently enables an MSO to become the "captain of the ship," thus undermining physician autonomy. Over the past five years this phenomenon has brought major adverse effects to patients and staff of large clinics in Eugene, Portland, and Corvallis. [7](#)

Please approve SB 951. Uphold the integrity of the physician-patient relationship. Ensure that private equity or corporate-backed MSOs will no longer jeopardize patients and medical practices in Oregon.

1. Oregon health Authority healthcare market oversight program, public comments, 018 Optum and the Corvallis Clinic. March 8, 2024.

<https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/HCMO-Public-Comments-018-Optum-Corvallis-V2.pdf>

2. Samaritan to Part Ways with United Healthcare Network. The Advocate, November 2024. <https://www.corvallisadvocate.com/2023/corvallis-updates-samaritan-to-part-ways-with-united-healthcare-network-art-center-gala-coming-weekend-bus-detours/>

3. Change Healthcare Cyberattack Underscores Urgent Need to Strengthen Cyber Preparedness for Individual Health Care Organizations and as a Field. American Hospital Association, February 2024. <https://www.aha.org/change-healthcare-cyberattack-underscores-urgent-need-strengthen-cyber-preparedness-individual-health-care-organizations-and>

4. Healthcare Market Oversight (HMO), November 6, 2023.

<https://olis.oregonlegislature.gov/liz/2023I1/Downloads/CommitteeMeetingDocument/277646>

5. Tillamook Dialysis Closure Has Patients Fearing The Worst. The Lund Report, Tom, Henderson, Feb. 12, 2024. <https://www.opb.org/article/2024/02/12/tillamook-dialysis-closure-patients/>

6. Anesthesiologist Shortage at Providence Raises Concerns Over Private Equity. The Lund Report, Jake Thomas, December 19, 2023.

<https://www.thelundreport.org/content/anesthesiologist-shortage-providence-raises-concerns-over-private-equity>

7. Update: Oregon Approves Controversial Corvallis Clinic/Optum Merger. Amelia Templeton, OPB, March 13–14 2024.

<https://www.opb.org/article/2024/03/13/corvallis-clinic-optum-merger-oregon-health-care/>

