

April 29, 2025

House Committee on Behavioral Health and Health Care Oregon State Capitol 900 Court Street NE Hearing Room C Salem, Oregon 97301

## RE: House Committee on Behavioral Health and Health Care Hearing on SB 951

Dear Chair Nosse, Vice Chairs Javadi and Nelson, and Honorable Members of the Committee,

My name is Kelsey Wulfkuhle, and I serve as Senior State 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 951</u>, which helps ensure that decisions impacting Oregonians health care services are made by licensed medical providers, not corporate entities. Thank you to the Legislative Sponsors, Chair Nosse, and the committee for your commitment to tackling this important issue impacting Oregonians.

<u>Most states</u> have corporate practice of medicine (CPOM) laws on the books to prohibit corporations and other non-physician entities from taking over medical practices and substantially changing how providers practice medicine. This ensures that clinical decision-making is made in the best interest of patients rather than the interests of financial investors. <u>Increased health care consolidation</u> over the past few decades has offered the opportunity for corporate actors to become increasingly involved in health care – between 2012 and 2021, private equity acquisitions of physician practices <u>increased</u> by 645%. This rise in **corporate ownership comes with the need to protect patients from rising concerns around the negative impact of corporate health care ownership on <u>patient safety</u>, <u>quality</u>, and <u>access to care</u>. Corporate ownership is also associated with <u>increased</u> costs for people, exacerbating the health care affordability issues Oregonians are <u>already</u> struggling with.** 

Oregon's <u>Corporate Practice of Medicine (CPOM) Doctrine</u> was <u>enacted</u> as a means to make sure doctors, not corporations, were in charge of medical practices and patient care. However, the recent proliferation of arrangements with corporate-owned physician management vendors, coupled with loopholes in Oregon's Corporate Practice of Medicine doctrine, means the role of these vendors has evolved beyond patient scheduling and billing to setting clinical operations processes and procedures that ultimately harm patients.

SB 951 provides an opportunity to provide helpful guardrails to better safeguard patient care and ensure meaningful protections for Oregonians from the negative impacts of corporate pressure. Similar to efforts in at least <u>nine other states</u> this legislative

session, this legislation closes most of the loopholes which allow third party vendors the ability to exert control over physician's clinical decision-making, keeping physicians in control of their practices. Additionally, it eliminates the tactics used by corporate entities to trap providers in harmful contracts, and provides legal protections for providers who speak up about unsafe practices detrimental to patient care. Notably, SB 951 **does not** ban private investments in health care, but rather prioritizes patient treatment over return on investment.

For these reasons, and on behalf of United States of Care, I encourage the Committee to vote "yes" in support of SB 951. 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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