



May 1, 2025

To: Senate Committee on Health Care

From: Paige Spence, Director of Government Relations

Re: Support for SB 951 A

Chair Nosse, Vice-Chairs Nelson and Javadi, and members of the committee,

My name is Paige, and I am submitting testimony on behalf of the Oregon Nurses Association (ONA). ONA represents a diverse community of more than 23,000 nurses and health care professionals throughout Oregon. Together, we use our collective power to advocate for a more effective, affordable and accessible health care system; better working conditions for all health care professionals; and healthier communities.

You have discussed a lot of complex nuances in this bill, and I want to focus my testimony on why the policy matters to health care workers and their patients.

As you know, across the country and in Oregon, private equity investors are increasingly acquiring health care clinics. Our concerns with that kind of investment is that research has shown that clinics acquired by private equity charge 20% more, on average, per insurance claim than non-acquired clinics.<sup>1</sup> Currently, Oregonians spend more on health care than they do on housing and utilities. More than a third of Oregon adults struggled to pay their medical bills, and 23% skipped a recommended medical test or treatment because they could not afford it.<sup>2</sup> To support the health and well-being of Oregonians, our state can protect against the privatization of care, and the associated price increases.

Furthermore, quality of care worsens when private equity gets involved: post-acquisition, private equity-owned hospitals have 27% more patient falls and 38% more bloodstream infections as they did prior to the acquisition.<sup>3</sup> Similarly, one study showed that private-equity owned hospitals had 25% increase in hospital-acquired complications among studied Medicare

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<sup>1</sup> Singh Y, Song Z, Polsky D, Bruch JD, Zhu JM. Association of Private Equity Acquisition of Physician Practices With Changes in Health Care Spending and Utilization. *JAMA Health Forum*. 2022;3(9):e222886. doi:10.1001/jamahealthforum.2022.2886

<sup>2</sup> Oregon Health Authority, and Healthcare Cost Growth Target. "Impact of Health Care Costs on People in Oregon, 2021." Oregon Health Authority, Sept. 2023.

<sup>3</sup> "Infections and Falls Increased in Private Equity-Owned Hospitals." *National Institutes of Health (NIH)*, 22 Jan. 2024, [www.nih.gov/news-events/nih-research-matters/infections-falls-increased-private-equity-owned-hospitals](https://www.nih.gov/news-events/nih-research-matters/infections-falls-increased-private-equity-owned-hospitals).



recipients.<sup>4</sup> This substandard care is largely due to lower staffing levels: in a rush to cut costs, decreasing staffing is an obvious solution.<sup>5</sup> Unfortunately, and unfairly, patients are left to bear the consequences.

SB 951 A protects against this type of health care corporatization: it ensures that professional medical entities are majority-owned by licensed healthcare providers, and that those providers retain control over patient care decisions. These changes will strengthen Oregon's existing protections against corporate control of healthcare. By doing so, our state will be preventing increased healthcare costs and ensuring that more Oregonians receive the high-quality care they need. ONA urges your support. Thank you.

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<sup>4</sup> Miller, Jake. "What Happens When Private Equity Takes over a Hospital | Harvard Medical School." *Hms.harvard.edu*, Harvard Medical School, 26 Dec. 2023, [hms.harvard.edu/news/what-happens-when-private-equity-takes-over-hospital](https://hms.harvard.edu/news/what-happens-when-private-equity-takes-over-hospital).

<sup>5</sup> Offodile II, A. C., Cerullo, M., Bindal, M., Rauh-Hain, J. A., & Ho, V. (2021). Private Equity Investments In Health Care: An Overview Of Hospital And Health System Leveraged Buyouts, 2003–17. *Health Affairs*, 40(5), 719–726. <https://doi.org/10.1377/hlthaff.2020.01535>

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