



**Oregon Chapter
American College of
Emergency Physicians**

May 28, 2025

To: Sen. Mark Meek Chair
Sen. Mike McLane, Vice Chair
Members of the Senate Committee on Finance and Revenue

From: Dr. Christian Smith, President OR-ACEP

RE: SB 125 CAT Exemption for Medicaid/Medicare receipts

Chair Meet, Vice-Chair McLane and members of the committee, please accept this statement for the record on behalf of OR-ACEP, the Oregon Chapter of the American College of Emergency Physicians. OR-ACEP is a medical society that has represented physicians specializing in emergency medicine since 1971 and its members share a commitment to improve emergency healthcare for all Oregonians.

OR-ACEP strongly supports SB 125, which would exempt public payer receipts from the threshold for the Corporate Activities Tax.

In emergency medicine with EMTALA, we provide extensive uncompensated care to our undocumented, underserved and uninsured in our community. Emergency physicians do most of the indigent care and two-thirds of Medicaid acute care as part of their patient roster. A tax on these reimbursements for these services — which don't cover the cost of care— undermines the patient safety net and threatens access to care for the entire community.

For emergency medicine groups, the CAT cuts into the narrow margins used to pay rising labor costs, recruitment, and business expenses including quality improvement activities. Relief from the tax on Medicaid and Medicare receipts will help emergency medicine practices who are struggling financially in the state and dealing with the prospect of fiscal insolvency. In addition, we're hearing from independent emergency groups that insurance contract rates are not close to keeping up with inflation so they're losing ground every year.

We urge your support of this bill.

Thank you.

Chapter President- Christian Smith MD, FACEP

Chapter Executive- Sierra Acker

President-Elect Patsy Chenpanas, MD

Government Rel. Director- Katy King

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