

LISA REYNOLDS, MD
STATE SENATOR
District 17



OREGON STATE SENATE

Senate Committee on Finance & Revenue
May 28th, 2025
8:00 a.m.
Hearing Room A
SB 125

Chair Meek and Members of the Senate Committee on Finance & Revenue,

For the record my name is Lisa Reynolds, and I serve as State Senator for West Portland and Northeast Washington County. I am also a practicing pediatrician and a partner in an independent pediatric clinic serving kids and families in my district.

I come here today in support of SB 125 out of principle. We are in a Medicaid and Medicare crisis, where providers are being paid pennies and dimes on the dollar to care for the most vulnerable members of society. Providers take a loss treating these patients and we do it *because it's the right thing to do*. While this math does lead some clinics to not take Medicaid patients, most do it because they got into medicine to help people – and folks who are on Medicaid and Medicare are often in need of some of the most acute help. But the bottom line is that providers do not have to care for these public-payor patients. And as public pay rates continue to fall behind private pay, it's squeezing providers and, unfortunately, leading some to refuse to take Medicaid altogether. And while my clinic does not take this approach, I can understand it: it's getting harder and harder to make the math pencil out.

We *tax* providers for providing this public service *at a loss*. AND the expense of this tax does not and cannot be passed along to the patient. These are pre-negotiated rates AND there is no cost-sharing expected of patients. This is very different than the CAT tax a car dealer is charged, where they can raise the price of the vehicle to cover that expense, passing that cost along to the consumer.

I am here today out of principle. Because I firmly believe that we should do everything we can to support independent providers to care for our most vulnerable members of society. There is already a disincentive to take on these patients at a loss, adding to that loss can disincentivize providers from taking these patients.

We do not tax nonprofits in this state, because we know they provide a public service. Yet when a medical clinic provides a public service at a loss, they are still taxed. The principle is the same – and our approach to taxation should be, as well.

Over half of Oregon's kids are on medicaid – and access to care improves the health, safety, and academic performance of our youngest.

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This discussion is not about pitting services against each other: it's about taking an honest accounting of the landscape for Oregon's kids and most vulnerable, and working on an innovative solution to loosen the squeeze that providers are feeling. Kids in Oregon schools see the providers when they need help – and we as a State need to make sure these providers stay open and available.

This is a complicated topic, and one with no incredibly easy solution – but I commend Chair Meek for bringing it forward and getting the discussion started. It is necessary. Please support SB 125.

I hope you'll support SB 125. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Lisa Reynolds". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Senator Lisa Reynolds, MD
Senate District 17

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