



**OREGON
MEDICAL
ASSOCIATION**



TO: Chair Patterson
Vice Chair Hayden
Members of the Senate Committee on Health Care

FR: Oregon Independent Medical Coalition
Oregon Medical Association
Osteopathic Physicians and Surgeons of Oregon

RE: SB 1529 -1

Submitted electronically by: sabrina@daltonadvocacy.com, courtnei@theoma.org

Chair Patterson, Vice Chair Hayden and Members of the Senate Health Care Committee,

Those signatory to these comments support the goals of continuous coverage and access to health care. Health outcomes are better when patients are able to maintain access to their provider, and that is always the goal.

The -1 amendment appears to apply broadly to providers and clinics—including small and medium sized health clinics, which could easily reach the 30,000 affected lives threshold.

Power dynamics between insurers and providers are inherently imbalanced, especially for smaller providers and clinics who do not have the negotiating power of large systems. Faced with increasing cost pressures, including rising staffing costs, small and mid sized health clinics have very limited recourse to address those costs.

The -1 amendment states that final contract terms may set by the Governor or a designee. Without clear rate-setting standards, this raises real concerns and creates asymmetric risk for small practices operating on thin or nonexistent margins.

When contractual terms no longer support patient access or practice sustainability, clinics and providers may need to terminate the agreement to seek alternative models that better serve their community. Often, a provider's only mechanism to meaningfully engage an insurer in negotiations is for the provider to walk away. Nobody wins when a small clinic can't sustain its critical operations in support of the community. While the above groups support the use of arbitration when appropriate, we have concerns with mandating binding arbitration, especially as the bill allows for the cost of arbitration to be passed to entities, as well as significant civil penalties.

We appreciate your consideration of these comments, and appreciate the opportunity to be part of a continued conversation if there is one, and if the intent is to include clinics.