

The League of Women Voters of Oregon, established in 1920, is a grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

February 7, 2024

To: Chair Nosse, Vice Chairs Goodwin and Nelson, and Members House Committee on Behavioral Health and Health Care

Re: <u>HB 4130</u> - Relating to the practice of health care - Support

The League of Women Voters has a long history of promoting a U.S. health system that should have **access to affordable, quality health care** and has worked to provide objective information about the healthcare system.

Oregon has traditionally banned corporations from practicing medicine, leaving decisions about health care in the purview and responsibility of the physician or provider according to their own licensure. Unfortunately, in the last few years we have seen sophisticated contracting such as so-called "management services" leave physicians and practitioners in nominal control of patient care.

In the last 10 years investment from corporations in primary care¹ rose from \$15 million annually to \$16 billion. Often this can mean shortened patient appointments, overbilling, staffing cuts, and inequitable access² to quality care.

It is time to update previous regulations and close the loopholes in the Bans against Corporate Practice of Medicine Laws.³

This bill provides the ability to close loopholes in four major areas:

- 1. Ban non-compete clauses. Physicians and providers will be able to practice in the area that suits them and their families if they choose to leave a practice.
- 2. Ban non-disclosure and non-disparagement clauses. This allows physicians and providers to speak out if they see a problem without the risk of being fired.
- 3. Keep doctors and providers in control–require that physicians retain ownership of business assets and operations.
- 4. Require reporting of ownership structure and contractual relationships.

We urge your support for HB 4130.

Thank you for the opportunity to discuss this legislation.

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Rebecca Gladstone Co-President, LWVOR

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Christa Danielson Healthcare Portfolio

1. Ikram U, Aung K-K, Song Z. (November 19, 2021) Private equity and primary care: lessons from the field. Waltham, MA: <u>New England Journal of Medicine</u>.

2. Shah, S.; Rooke-Ley, H; Fuse Brown, E. (January, 2023) Corporate Investors in Primary Care – Profits, Progress, and Pitfalls. <u>New England Journal of Medicine</u>, 388:99-101

3. Zhu, J.M.; Rooke-Ley, H.; Fuse Brown, E. (September 14, 2023). A Doctrine in Name Only – Strengthening Prohibitions Against the Corporate Practice of Medicine. <u>New England Journal of</u> <u>Medicine</u> 389: 965-968