

SB 485 A STAFF MEASURE SUMMARY

Carrier: Sen. Prozanski

Senate Committee On Health Care

Action Date: 04/13/17

Action: Do pass with amendments and requesting subsequent referral to Business and Transportation be rescinded. (Printed A-Eng.)

Vote: 4-0-1-0

Yeas: 4 - Beyer, Kruse, Monnes Anderson, Steiner Hayward

Exc: 1 - Knopp

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Oliver Droppers, LPRO Analyst

WHAT THE MEASURE DOES:

Exempts nonprofit corporations from Oregon’s corporate practice of medicine law (ORS 58.375) if specific federal certification requirements are met and the entity provides services to migrant, rural, homeless or other medically underserved populations. Exempts for-profit and nonprofit business entities from Oregon’s corporate practice of medicine law if entity operates solely as a rural health clinic.

ISSUES DISCUSSED:

- Limited access to primary care in rural counties
- Oregon's physician ownership law
- Oversight of rural health clinics by a physician

EFFECT OF AMENDMENT:

Exempts nonprofit corporations from Oregon’s corporate practice of medicine law if specific federal certification requirements are met, and the entity provides services to migrant, rural, homeless or other medically underserved populations. Exempts for-profit and nonprofit business entities from Oregon’s corporate practice of medicine law if entity operates solely as a rural health clinic.

BACKGROUND:

Currently, an Oregon company organized for the purpose of practicing medicine must be majority owned by physicians and directed by physicians. More than 20 states have similar laws. The intent of such laws is to prevent a business corporation or lay person from controlling the medical decisions of physicians or their professional staff, referred to as the “corporate practice of medicine.”

Senate Bill 485-A creates an exemption to Oregon's physician ownership law to address the lack of access to health services due to physician shortages in medically underserved and disadvantaged communities.