

John S Burles testimony for House Health Committee hearing -Feb 9, 2021

My name is John Burles. I am the CEO for North Bend Medical Center, Inc. (NBMC), in Coos Bay, Oregon. NBMC is a multi-specialty outpatient medical clinic that is a physician owned, provider led organization that has been providing high quality outpatient medical services to the residents of Coos and Curry Counties for 50 years. NBMC is an Oregon Cooperative Corporation.

I am one of the representatives of the Oregon Independent Medical Clinics. This Coalition represents multiple organizations consisting of 1,250 medical providers and 5,000 employees that provide high quality, efficient, and optimally priced health care services to greater than 2 million Oregonians, ranging from Portland to Coos Bay and Bend.

The Oregon Independent Medical Coalition is opposed to House Bill 2362.

As independent medical groups, our coalition members are committed to maintaining their independence as Oregon businesses. We are unified in our commitment not to be acquired by any large hospital system or private equity firm. We passionately believe that healthcare is best delivered in an independent business model that is owned and governed by the owners of the business that also are responsible for the delivery of medical services to our respective populations.

In our continuous efforts to remain independent in this competitive environment, our like-minded medical clinics meet with one another on a routine basis and seek out creative collaboration, best practices, and innovative strategies that will better serve our patients, improve patient access, provide high quality healthcare services, all with keeping the cost of healthcare services at reasonable levels, as well as evaluating how our business decisions impact our society and environment.

NBMC, for example, partners with the local hospitals, including Bay Area Hospital in Coos Bay, Coquille Valley hospital in Coquille, Southern Coos Hospital in Bandon and Curry General Hospital in Gold Beach, to deliver quality patient care. The partnership with these hospitals is extensive, including staffing the Bay Area

Cancer Center in partnership with Bay Area Hospital, providing hospitalists to practice in Bay Area Hospital and partnering on with Bay Area Hospital and Bay Clinic in Coos Bay to convert to the a common Epic medical records system with the goal of one patient, one chart, that will substantially improve medical care in the community. The outlying hospitals benefit from NBMC primary care sited in the local community and rotating specialists that help patient care in the local hospital.

Costs are rising in the medical arena. The purpose of HB 2362 is to contain rising medical costs. NBMC agrees with this purpose and constantly works to deliver excellent care to patients. With rising costs of medical personnel NBMC struggles along with the rest of Southwestern Oregon to bring in quality medical providers.

The regulatory requirements of mergers and acquisitions will raise the cost of the delivery of medical care to patients in Coos and Curry counties. The bill contains added layers of regulation, thus increasing the complexity and cost to everyday transactions. These layers of regulation will add costs to the patient which is diametrically opposed to the purpose of the legislation.

This bill were clearly drafted by well-meaning yet misguided individuals with little to no healthcare knowledge and experience. The proposed oversight scheme does not utilize an evidence based control to the rising cost of patient care. As a result the bills will result in additional cost to the provision of quality patient care in our community.

The State of Oregon is already burdened with significant government regulations and protections to oversee the health care system - we are respectfully requesting that the Legislature not create additional layers of rules and regulations to this process.

In the end, patients with health care needs will lose out, and this is not in the best interests of all Oregonians. Thank you in advance for your consideration of these concerns about House Bill 2362.