

Submitter: Jeffrey Muehling  
On Behalf Of:  
Committee: Senate Committee On Health Care  
Measure: HB4130

Physician in favor of HB 4130.

I am writing to express my support for HB 4130. As a M.D., It has become clear that corporations and private equity in medicine are detrimental. Studies are coming out that show how standards or care decrease when private equity takes over. Medicine in American is already expensive enough without more people trying to make money off of the process, and cut corners and bring in cheaper products and supplies. Oregon has become part of an accelerating national trend in private equity ownership of medical clinics across this country. The research is clear that the corporatization of medical practices leads to worse patient outcomes, higher costs, and less physician independence.

Corporate practice of medicine (CPOM) laws have existed for decades in most states, from California to Texas to New York, prohibiting medical practices from being owned by anyone other than a licensed physician or medical professional. These laws are based on the understanding that there is an intrinsic conflict between a physician's professional obligations of care to their patients and the profit-oriented obligations of corporations to maximize returns to their shareholders.

HB 4130 closes loopholes in Oregon's CPOM doctrine, blocking corporations or private equity investors from owning or indirectly controlling medical practices and the decisions of healthcare providers. HB 4130 also limits corporate owners from enforcing non-compete/non-disclosure agreements and non-disparagement clauses for specific providers. These are increasingly common practices that leave doctors handcuffed and unable to speak out about harmful conditions or start their own independent practice. These practices have already forced some doctors to move out of Oregon.

The corporatization of healthcare is well underway and without moving this bill forward, you will be deciding by not deciding. We know that local physicians are better suited to control the practice of medicine than out-of-state equity investors. This bill is urgently needed to protect patients, physicians, and all Oregonians.