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February 25, 2024

Subject: Support HB4130 – Strengthen Oregon's Healthcare Integrity

Dear Members of the Behavioral Health and Healthcare Committee,

On behalf of our more than 12,000 physician and medical student supporters, Physicians for Patient Protection (PPP) supports House Bill 4130, which seeks to fortify Oregon's corporate practice of medicine regulation.

PPP is a grassroots organization whose mission is to champion patient safety by ensuring physician-led care for every patient and by promoting truth and transparency regarding healthcare practitioner credentials.

In Oregon and across the nation, there has been an accelerating surge in private equity acquisition of medical practices. This privatization results in shareholder and for-profit interests being prioritized over patient safety and quality care. Extensive research has demonstrated that corporatization invariably leads to detrimental effects on patient care in the following ways:

- by reducing access to necessary treatments, diagnostic procedures, and specialists;
- by inflating billed amounts, thereby increasing the cost of care to the system;
- by eroding physician autonomy and ability to act in the best interest of patients.

Corporate practice of medicine (CPOM) laws have existed for decades in most states, founded on the recognition of an inherent conflict between a physician's ethical duty to their patients and the profit motives of corporations, and prohibiting medical practices from being owned by anyone other than a licensed physician or medical professional.

HB 4130 is vital in closing loopholes in Oregon's CPOM doctrine by blocking corporations or private equity investors from owning or indirectly controlling medical practices and the decisions of healthcare providers.

HB 4130 also restricts corporate entities from imposing non-compete/non-disclosure and non-disparagement clauses for specific practitioners. These clauses impede physicians' ability to advocate

for their patients and have also compelled some doctors to relocate outside of Oregon.

By advancing HB4130, you will be limiting profit-driven healthcare oligopolies and reducing healthcare disparities.

Sincerely,



Physicians for Patient Protection Carmen Kavali, MD President

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