



Chair Patterson, Vice-Chair Hayden, and Members of the Committee,

From: Kelsi Manley, MD, FACP; Joel R. Burnett, MD, FACP; R. Logan Jones, MD, FACP; Jenny Silberger, MD, FACP; and Marianne Parshley, MD, FACP on Behalf of the Oregon Chapter of American College of Physicians

Date: Feb 26th, 2024

Re: In Support of HB4130

The Oregon Chapter of American College of Physicians represents approximately 1,750 medical students, residents/fellows-in-training, and practicing internal medicine physicians in Oregon. Internal medicine physicians are specialists in the care of medical patients, delivering care both in the office and in the hospital, and apply their expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness. On behalf of our organization, we write in **support of Oregon House Bill 4130**.

Current Oregon law allows patient care to be deprioritized and physician leadership to be sidelined when clinics are purchased by larger, often for-profit, organizations. Existing state law regulating the practice of medicine only covers professional corporations and is some of the weakest in the country.<sup>1,2</sup> We applaud the legislative efforts to close this loophole to ensure that physician leadership continues to prioritize what is best for patients across all corporate healthcare entities in the state of Oregon.

Corporate healthcare organizations promise financial stability and investment in staffing and infrastructure. Unfortunately, parent organizations can and do record large profits, which return to investors or shareholders, while still cutting resources at the local level, such as nurses.<sup>3,4</sup> Lack of support staff leads to physician burnout and further decimation of the primary care workforce. The ACP believes that “physicians in any practice setting should challenge prioritization of business over patient interests.”<sup>5</sup>

Oregon ranks 34 of 50 among US states for access to primary care.<sup>6</sup> This low level of access disproportionately affects rural areas. Waits for new patient appointments in locales such as the Willamette Valley are a minimum of 6 months and often more than a year for a Medicare patient seeking care from an internal medicine physician. The use of restrictive covenants including non-compete clauses in physician contracts exacerbates this crisis by forcing

physicians who seek to change their place of practice or employer to leave their community, further exacerbating the lack of primary care in these semi-rural areas. There is no reasonable justification for enforcing restrictive covenants when there is an overwhelming need for additional physicians and clinicians in the same area. The American College of Physicians advocates that contract provisions affecting practice should align with the ethical commitments of physicians.<sup>7,8</sup>

In the interest of the health of all citizens of Oregon, we strongly urge you to prioritize the physician role in ensuring patients' needs are primary even when care is delivered by corporate healthcare entities. **Our organization leadership is in agreement that this is a serious concern, action sooner rather than later is needed, and it's probably appropriate to expect an iterative approach will be needed.**

**At this time we ask you to vote yes on HB4130.**

Thank you for your consideration, and please don't hesitate to contact us for additional information or support.

Sincerely,

Kelsi Manley, MD, FACP, Co-Chair, Health & Public Policy Committee of the Oregon Chapter of the American College of Physicians

Joel Burnett, MD, FACP, Co-Chair Health & Public Policy Committee of the Oregon Chapter of the American College of Physicians

R. Logan Jones, MD, FACP, Co-Chair Health & Public Policy Committee of the Oregon Chapter of the American College of Physicians

Jenny Silberger, MD, FACP, Governor of the Oregon Chapter of the American College of Physicians

Marianne Parshley, MD, FACP, Member, Board of Regents, American College of Physicians

1. A Doctrine in Name Only - Strengthening Prohibitions against the Corporate Practice of Medicine. Jane M. Zhu, M.D., M.P.P., M.S.H.P., Hayden Rooke-Ley, J.D., and Erin Fuse Brown, J.D., M.P.H. September 14, 2023. N Engl J Med 2023; 389:965-968.
2. Corporate Investors in Primary Care — Profits, Progress, and Pitfalls. Soleil Shah, M.Sc., Hayden Rooke-Ley, B.A., and Erin C. Fuse Brown, J.D., M.P.H. January 12, 2023 N Engl J Med 2023; 388:99-101
3. Borsa A, Bejarano G, Ellen M, Bruch J D. Evaluating trends in private equity ownership and impacts on health outcomes, costs, and quality: systematic review BMJ 2023; 382 :e075244 doi:10.1136/bmj-2023-075244
4. <https://www.heraldnet.com/news/former-everett-clinic-employees-speak-out-about-mass-layoffs/>
5. Financial Profit in Medicine: A Position Paper From the American College of Physicians. Ryan Crowley, Omar Atiq, David Hilden, et al; Health and Public Policy Committee of the American College of Physicians. Ann Intern Med.2021;174:1447-1449. 6. 2023 Annual Report: Primary Care Providers by State [https://www.americashealthrankings.org/explore/measures/PCP\\_NPPES](https://www.americashealthrankings.org/explore/measures/PCP_NPPES) 7.

<https://www.acponline.org/advocacy/acp-advocate/archive/february-10-2023/proposed-regulation-to-ban-noncompete-clauses-benefits-patients-and-physicians-alike#:~:text=Feb.,from%20working%20for%20nearby%20competitors>.

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