





February 25, 2024

- To: Members of the Oregon State Senate
- Cc: Representative Ben Bowman
- Fr: Matt Swanson, SEIU Oregon State Council Hannah Whinchester, Oregon Federation of Nurses and Health Care Proffessionals Catie Thieson, Oregon AFL-CIO Odalis Aguilar, Oregon AFSCME Cynthia Branger Munoz, Oregon Education Association Emerson Hamlin, Oregon Nurses Association

## Re: Labor Supports House Bill 4130

This week, House Bill 4130, which will strengthen Oregon's corporate practice of medicine doctrine, will come before you on the Senate Floor. As labor organizations representing doctors, nurses, health care workers, and other medical professionals, we hope you will support this important bill to improve Oregon's health care system.

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 medical providers 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.

This bill is a modest step toward ensuring patients-not corporate profits-come first. The data is clear that patients and providers suffer when private equity takes control of these clinics. Our members know firsthand the repercussions when unrestricted corporatization and monopolization take over healthcare settings-and it is always worse for workers and patients.

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.

We urge your support of HB4130.