



VANESSA CORNWALL

Intergovernmental Relations Officer
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DATE: February 11, 2025
TO: Senate Committee on Judiciary
FROM: Vanessa Cornwall, Lane County Intergovernmental Relations Officer
RE: SB 468, Relating to Employment Agreements for Health Professionals

Dear Chair Prozanski, Co-Chairs Thatcher and Broadman, and Members of the Committee:

Lane County strongly supports SB 468, which provides that a non-competition agreement is void if entered with a health professional.

Non-compete agreements were designed to prevent physician shareholders in physician-owned practices from sharing critical business strategies and growth plans with competitors. However, as those practices have declined, and fewer physicians have access to trade secrets, these agreements have shifted toward restricting physicians from leaving employers when they are dissatisfied.

Today, the rationale for most non-competition agreements is that physicians moving to a competing practice within the same community will take their patients with them. This is seen as threatening the bottom line of a medical practice losing a physician. While the loss of physicians and patients does pose a challenge for any practice, this threat also incentivizes healthcare organizations to improve workplace conditions to retain top talent.

Non-competition agreements ultimately impose a difficult decision: either stay despite dissatisfaction or leave the area to start fresh. When Optum acquired Oregon Medical Group in Eugene, for example, physicians initially faced this dilemma. Under pressure, Optum decided not to enforce its non-compete agreements, but it remains uncertain how many physicians left in Lane County due to these restrictions.

To protect access to care, we must remove obstacles that hinder physicians from building long-term practices in the state. Lane County respectfully requests that the legislature remove non-compete agreements, allowing physicians to continue serving in their communities while maintaining professional flexibility.

ELECTRONICALLY SUBMITTED BY VANESSA CORNWALL, LANE COUNTY
INTERGOVERNMENTAL RELATIONS OFFICER