

To: Senate Committee on Health Care
Re: Support SB 9f51
Date: March 3, 2025

I am retired family nurse practitioner. In clinical practice, it is never okay for health care decisions to be under the control of non-clinicians has never been okay. Never would I allow a nonclinician manager to have any say or control over my obligation to provide my patients the best care possible.

In Oregon, we have a constitutional right to “clinically appropriate and affordable health care as a fundamental right.” By definition, the corporate practice of medicine is about delays, denials, unaffordability, restrictions on access, and profit. In practice, the corporate investor holds effective power to run the clinic, including decisions that intimately affect patients: how much money is spent on care, what staffing levels should be, how much time should be spent with each patient, when and to whom physicians sell their ownership in the practice, and what prices for different medical services or procedures should be.

A New England Journal of Medicine article stated, “Emerging empirical evidence suggests three primary risks that corporatized medicine poses: increased health care prices and spending owing to market consolidation and exploitation of payment loopholes, patient care concerns associated with changes in practice patterns and pressures to reduce staffing, and moral injury and burnout among physicians. The preponderance of evidence hasn’t yet suggested commensurate improvements in quality, access, efficiency, or equity to offset these concerns.” Another study in the New England Journal of Medicine showed that when a private equity company buys a clinic, costs rise by as much as 20%; patient time spent with the provider decreases; unnecessary procedures go up; and the risk of complications rise.

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You may know about: in Eugene in 2020, Optum (a subsidiary of UnitedHealth Group) purchased Oregon Medical Group, a 30 plus year old multi-clinic practice, which was established and owned by physicians. By mid-2024, 30% of the physicians had left the practice. This happened despite Oregon’s long-standing Corporate Practice Of Medicine law. Optum-owned and private equity "management services organizations" have developed loopholes to this important law.

Corporations and private equity firms are swallowing up independent clinics, impacting community care and leaving Oregonians with no health options.

It is time to pass SB 951 and strengthen the provisions in Oregon's Corporate Practice of Medicine law.

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