



March 13, 2025

TO: Senate Committee on Health Care
FR: Charlie Fisher, State Director, Oregon State Public Interest Research Group (OSPIRG)
RE: SB 539

OSPIRG is a statewide public interest group representing thousands of Oregonians.

OSPIRG supports SB 539.

Imagine going to the same doctor for ten years. They do your annual physical, they check out your wrist when you injure it, they provide your prescriptions to control your high cholesterol. For each of these visits, you have paid your \$15 copay and gone home.

Now imagine going to the same doctor for this year's physical, paying your copay, and a few days later getting a second bill for \$100. You have never gotten this charge before, so you are confident that it is a mistake. But the provider says you owe it because the office is a hospital facility. It turns out that in the past year, the local hospital purchased your doctor's practice, and the \$100 is the "facility fee", or "facility charge". You are on the hook for an extra \$100.

Hospitals charge these fees as well. But as the health system consolidates and hospitals buy up physician practices and clinics, more patients than ever are facing facility fees on bills for regular doctor visits. These added fees are unrelated to the cost of the care we receive, and can be merely based on changing ownership of the provider's office. There is no evidence that shows these fees improve the value or outcome of health care services; facility fees simply improve the profit line for health care companies that own the different care locations.

OSPIRG has heard from our members and members of the public that this is a growing problem in Oregon. These range from \$89 to hundreds or even thousands of dollars for services ranging from visiting a psychologist to getting a steroid injection. These costs were often in addition to co-pays that the patient paid.

Addressing hospital facility fees is broadly supported by the public. A survey we did last year found that only 27% of Oregonians think hospitals charged fair prices and 71% support prohibiting facility fee charges.¹ This is likely in part because how difficult it is in general to even find out how much a procedure or service is going to cost beforehand. A new OSPIRG report found that less than a third of Oregon hospitals have "useful and usable" tools for consumers to get a price estimate ahead of time. Even fewer offer any information about whether a facility fee will be charged.²

That's why SB 539 has three main components:

1. It prohibits facility fees from being charged where the core justification for their existence, to operate a 24/7 hospital facility, just doesn't make sense. Specifically that means at

¹ [Survey shows Oregonians are concerned about high healthcare costs, support policies to address health care prices](#), May 2024.

² [Price Transparency at Oregon Hospitals](#), March 2025.

hospital-owned clinics that are not on the campus of the hospital itself and for routine “evaluation and management” services at a hospital that could be done in lower cost settings.

2. For all other facility fee charges, it requires advance notice to consumers at time of appointment or as soon as practicable in the case of an emergency room visit.
3. Require reporting to the state of all facility fee charges so we have more information on the problem - while we know it is happening in Oregon anecdotally and in other states because of similar laws, we want to be able to track what’s happening to guide future policy making.

SB 539 is a commonsense measure to protect consumers from unjustified charges and rein in the growing cost of health care. OSPiRG urges your support.