

Regence Testimony SB 539

Chair Patterson and Members of the Committee:

My name is Mary Anne Cooper, and I am the Director of Government Affairs at Regence BlueCross BlueShield of Oregon. As the state's first and largest commercial health insurer, Regence is committed to addressing both persistent and emerging health needs for the nearly one million Oregonians we serve. In keeping with our values as a tax-paying nonprofit, 90% of every premium dollar pays for our members' medical claims and expenses. We're here in support of SB 539 in prohibiting facility fees in off campus hospital outpatient departments.

When hospitals buy independent doctor's offices, they often convert them into "hospital outpatient departments." This means patients now get two charges instead of one - their regular doctor's fee plus a new hospital facility fee. These facility fees significantly increase costs for the exact same service at the exact same location.. Patients are often unaware of these charges until they receive their bills, leading to frustration and confusion.

By prohibiting facility fees for off campus outpatient facilities, this bill helps move health care affordability in the right direction. Health care costs are growing at an alarming rate, making it unattainable for people to receive care.

The impact of consolidation is not limited to costs—it also affects healthcare equity. Communities of color, low-income populations, and individuals with chronic conditions are often hit hardest by these fees. For example, studies have shown that facility fees disproportionately impact marginalized communities, as they tend to rely more on outpatient services¹.

Several states have addressed facility fee reforms² to limit hospital's ability to charge outpatient facility fees and protect consumers from such charges and we strongly encourage Oregon to join these states in enacting this important protection.



200 SW Market Street, 11th Floor
Portland, OR 97201

In addition to prohibiting the fees themselves, we also support the provisions to try to increase price transparency for consumers and for the state of Oregon through the reporting component.

Thank you for your time and allowing me to testify today. I'm happy to answer any questions.

Please do not hesitate to contact me with any questions.

Mary Anne Cooper, MaryAnne.Cooper@CambiaHealth.com