



**Oregon Chapter**  
**American College of**  
**Emergency Physicians**

February 6, 2026

To: Sen. Khanh Pham, Co-Chair  
Sen. Nancy Nathanson, Co-Chair  
Members of the Joint Committee on Information Management and Technology

From: Christian Smith MD, FACEP  
Immediate Past President OR-ACEP

RE: HB 4054 Transparency around the use of AI to downcode provider claims

Sen. Pham, Rep. Nathanson and members of the committee, my name is Dr. Christian Smith and I am here on behalf of Oregon ACEP, the Oregon Chapter of the American College of Emergency Physicians. I'm also a member of the national ACEP AI Workgroup.

OR-ACEP supports HB 4054, which requires transparency when artificial intelligence is used to downcode claims and creates an appeals process.

We are hearing from our Oregon members that they have no way of knowing when artificial intelligence is used to downcode and underpay emergency medicine claims. This practice is a growing concern for the viability of the ED. Systematic downcoding of emergency care includes:

- Reclassifying high-acuity ED visits as low-level services despite clear documentation.
- Applying non-emergency billing codes to visits involving time sensitive emergency conditions such as chest pain, stroke symptoms, sepsis, or trauma.
- Using automated claims edits that ignore physician notes and clinical complexity.

Emergency physicians do most of the indigent care and 2/3rd Medicaid acute care as part of their patient roster. A Rand study in 2025 showed that emergency care is already at risk due to chronic underfunding. 20 percent of emergency care goes entirely uncompensated. The impact on rural Oregon is outsized — rural emergency physicians already earn 20 percent less.

Transparency regarding the use of AI in underpayment of claims is a great first step and we'd appreciate your support.

Thank you for the opportunity to testify.

**Chapter President-** Patsy Chenpanas MD, FACEP

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