



## OFFICE OF REPRESENTATIVE BEN BOWMAN

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### **Rep. Ben Bowman Introduces Legislation To Improve Patient Outcomes and Lower Costs in Oregon's Healthcare System**

*HB 4130 would be a first-in-the-nation effort to curb the corporate practice of medicine and its negative impact on patients and doctors practicing in Oregon and across the country.*

**SALEM, Ore.** - This week, **Rep. Ben Bowman (D - Tigard)**, former Governor **Dr. John Kitzhaber**, and **Dr. Bruce Goldberg** presented [House Bill 4130](#) as a bill that keeps healthcare affordable by closing loopholes that allow private equity firms and large corporations to skirt Oregon's requirement that licensed doctors be in charge of medical offices.

“The law of the land in Oregon since the 1940s has been that doctors should be in control of medical practices, not corporations,” said **Rep. Bowman**, who serves on the House Behavioral Health and Health Care Committee. “This bill comes down to a straightforward policy question: either we believe in the corporate practice of medicine doctrine, that only licensed independent providers should be in charge of medical practices and patient care—or we believe that it is acceptable for private equity and large corporations, who have an obligation to their shareholders and not their patients, to be in charge.”

There has been a dramatic rise of corporate and private equity dollars into healthcare in recent years. For example, there has been a 100,000% increase in private investment into primary care in a little over a decade<sup>1</sup>. Researchers from OHSU, Harvard, Georgia State, and other institutions have demonstrated the negative outcomes of private equity ownership of healthcare practices: worse patient outcomes, higher costs, and less physician independence.

Oregon has not been immune from this shift. Two years ago, Amazon paid \$3.9 billion to purchase the primary care provider One Medical, which operates five offices in Oregon. Optum, a subsidiary of United Healthcare, bought Oregon Medical Group in Eugene and GreenField Health in Portland. There is an ongoing review of the pending purchase by

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<sup>1</sup> Zhu, J. M., Rooke-Ley, H., & Fuse Brown, E. (2023). [A doctrine in name only — strengthening prohibitions against the corporate practice of Medicine](#). *New England Journal of Medicine*, 389(11), 965–968. <https://doi.org/10.1056/nejmp2306904>



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Optum of the Corvallis Clinic, an independent 11-clinic physician-owned system in the mid-Willamette Valley.

Supporters of the bill warned that increased corporate investment in Oregon's medical clinics is compromising Oregon's record of strong health outcomes: "When it comes to health care, Oregon is a pretty unique state," **Dr. Bruce Goldberg**, former director of the Oregon Health Authority, told the committee. "Colleagues from around the country often ask why Oregon has such an enviable record of health reforms, and why we have a really strong healthcare system. And the answer is simple: The vast majority of our healthcare interests are local, and they're nonprofit."

**Governor Kitzhaber** urged the committee to take action. "If we don't move this bill forward, we will in effect be deciding by not deciding," **Kitzhaber** told the committee. "We will be deciding that it's okay for resources to flow out of our community and into the coffers of distant enormous publicly traded corporations. And most seriously, we will be deciding that the health of Oregonians is just another economic commodity to be bought and sold on the stock exchange."

The bill also strengthens physician independence by banning non-compete clauses for most physicians, and it bolsters transparency requirements so patients know who owns their clinics. The legislation is supported by a broad, bipartisan coalition, including physician groups, patient advocacy organizations, healthcare worker unions, insurance companies, and think tanks. Institutional supporters include the Oregon Academy of Family Physicians, the Oregon Nurses Association, and the Oregon Pediatric Society.

The bill is likely to receive a work session on Tuesday, February 13. If passed, the legislation will be the nation's first attempt at regulating the rising corporate influence on healthcare.

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