February 27, 2026

Oregon Sacred Heart Medical Center at RiverBend Leadership Team
PeaceHealth Sacred Heart Medical Center at RiverBend
3333 RiverBend Drive, Springfield, OR 97477

Dear Oregon Sacred Heart Medical Center at RiverBend Leadership Team,

As legislators representing Lane County in the state legislature, we write to express grave concern about takeover of the contract between PeaceHealth and Eugene Emergency Physicians (EEP) by ApolloMD. This drastic shift to an Atlanta, Georgia health management support corporation puts at risk emergency department physician services at Sacred Heart Medical Center RiverBend and Cottage Grove Community Medical Center.

EEP, which has provided reliable emergency physician services to the Eugene-Springfield area for 35 years, is an independent, democratic group of 41 providers that is equally owned by all its physician partners. Currently, EEP sees approximately 85,000 patient visits per year at Riverbend and 15,000 per year at Cottage Grove Emergency Departments. EEP maintains the highest standards of medical knowledge and provide compassionate care to diverse communities in the Southern Willamette Valley. Their retention of physicians is outstanding, consistent with ties to the community. EEP reports having never left an ER shift uncovered.

It is highly doubtful that ApolloMD can achieve the same. PeaceHealth has stated that EEP physicians are invited to apply for positions under the new contract, but they report finding the offer incompatible with their current model. Further, we understand that PeaceHealth did not communicate with EEP before making this drastic change. Further, EEP members have pledged to not consider any association with ApolloMD for at least 90 days after the effective date of the takeover.

The overwhelming majority of medical staff at PeaceHealth, including every single medical specialty and subspecialty at Sacred Heart Medical Center RiverBend and Cottage Grove Community Medical Center, have uniformly asked the administration to reverse this decision. The medical staff of PeaceHealth in Lane County has supported them with a vote of no-confidence in the current administration and a formal request to reverse this decision. They are supported by the nursing staff at both sites and the Oregon Nurses Association.

Replacement of a local democratic physician owned group by a large, multi-state corporation raises important questions regarding compliance with Oregon's corporate practice of medicine laws, including ORS 58.375 and ORS 58.376, arising from the passage of SB 951 (2025).

These provisions protect medical integrity by ensuring licensed Oregon physicians – not corporate interests – lead patient care. ApolloMD's attempt to use services of the newly formed Lane Emergency Physicians, LLC appears to be an attempt to bypass protections set forth in the above-referenced Oregon statutes. If true, this is a demonstration of corporate medicine at its worst.

Emergency departments are critical public health infrastructure. Ensuring that their physician staffing arrangements comply not only with procurement standards but also with Oregon's professional corporation statutes is essential to protecting patient care and physician independence. This contract with an out of state corporation excludes our locally owned company, ends our physicians' community ties, and threatens to rupture the medical community Lane County. We have enclosed a statement from the Oregon chapter of the American College of Emergency Physicians in support of EEP retaining its contract with PeaceHealth for providing emergency physician services to the community.

Sen. Floyd Prozanski

Senate President Pro Tempore James Manning

Speaker Julie Fahey

Rep. Nancy Nathanson

Rep. Lisa Fragala

Enclosure: OR-ACEP Statement on the Transition of Emergency Medicine Services in Eugene

Oregon Chapter
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OR-ACEP STATEMENT ON THE TRANSITION OF EMERGENCY MEDICINE SERVICES IN EUGENE

The Oregon Chapter of the American College of Emergency Physicians (OR-ACEP) represents emergency physicians across our state, and our members share a commitment to improve emergency care for all Oregonians. We are issuing this statement in response to the recent transition of contract for emergency medicine services at PeaceHealth Sacred Heart Medical Center, and end to their relationship with Eugene Emergency Physicians (EEP). This choice by PeaceHealth raises concerns that extend well beyond a single contract change. These concerns are about patients, communities, and the future of emergency medicine in Oregon.

We do not know the full circumstances or contract negotiations that led PeaceHealth to end its relationship with EEP. However, we do know that EEP has served their community for 35 years, and that many of their physicians may not continue to do so through this transition. For physicians dedicated to their patients and community, it is not easy to simply sign on with the new employer that now staffs their emergency department. Physicians historically have not always taken jobs with larger out-of-state contract management groups (CMGs) that have won contracts at their hospital sites, as these transitions may result in a loss of physician autonomy and a shift of focus towards productivity and cost outcomes rather than patient care outcomes. For the physicians of EEP and other groups that have been previously placed in this position (such as the recent takeover of the Providence Anesthesia contract by Sound Physicians, which displaced the long-standing, local, democratic Oregon Anesthesia Group), these transitions can result in a loss of ownership, job security, and a sudden decrease in compensation for the same work. OR-ACEP is opposed to the absence of community loyalty that is demonstrated by hospital systems' choices to partner with larger out-of-state CMGs over the local physician groups which have served them for several decades. These choices can result in a significant and largely irreversible loss of institutional knowledge, clinical relationships, and community trust that has been built over many years.

We are also acutely aware of the broader context in Eugene-Springfield. This community has faced extraordinary healthcare disruption in recent years, such as the closure of PeaceHealth's University District hospital and challenges with primary care access following the Optum acquisition of Oregon Medical Group. Furthermore, persistent emergency department challenges across the state driven by boarding, specialist and primary care shortages, and inadequate community mental health infrastructure

increase the complexity of delivering quality and timely emergency care. The emergency physicians who have worked in this environment carry knowledge of their communities and healthcare systems that cannot be quickly transferred to an incoming workforce. Recruiting a new staff of emergency physicians for this department from the ground up — many of whom will be new to this hospital, this region, and its patients — is a significant undertaking at a moment when this community can least afford further disruption to its care and operational efficiency. Similarly, CMGs are often used by hospital systems in an effort to save money, but the resulting instability can raise overall costs for the healthcare system. There is no quick fix for nation-wide, systemic problems that plague all emergency departments. Hospitals choosing not to continue their relationships with the physicians on their front lines who tirelessly work to remedy those problems (while additionally incurring mental, physical, and emotional costs to themselves) for decades is not the answer.

The situation in Eugene reflects a national trend that OR-ACEP believes deserves serious attention. Emergency medicine is experiencing rapid consolidation, with large CMGs displacing independent and democratically governed physician groups across the country. Oregon has not been immune, and this transition is one visible example of a pattern reshaping our specialty. OR-ACEP supports models of emergency medicine practice in which physicians have meaningful, democratic governance of the groups in which they work. This governance creates accountability to the community, investment in long-term outcomes, and a culture in which physicians are partners — not simply labor to be deployed and redeployed across markets. We do not claim any single model has a monopoly on quality care, but as consolidation accelerates nationally, we believe the preservation of meaningful democratic physician governance — and the community investment that comes with it — deserves sustained attention from physicians, hospital systems, and Oregon policymakers alike.

OR-ACEP stands in support of the physicians of Eugene Emergency Physicians, the colleagues they have worked alongside, and the patients and community they have served. Simultaneously, we also extend good faith to the physicians who will be joining this community going forward — those physicians did not create this situation, and we hope they will bring genuine commitment to the patients of Eugene and Springfield. Our concern is not with any individual physicians. It is with the structural conditions and decisions that led to this moment, and with ensuring that the community at the center of this receives the stable, high-quality emergency care it deserves.

OR-ACEP will continue to monitor this transition and to advocate for the patients and physicians of our state. We welcome dialogue with all stakeholders and remain committed to being a constructive, informed voice on the issues shaping emergency care in Oregon.

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* *Board members with a conflict of interest in this matter have recused themselves from the vote to issue this statement and from signing it, consistent with OCEP conflict of interest policy.*