

SENATE MAJORITY OFFICE

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Oregon Senate Committee on Health Care Hears Bill To Improve Patient Outcomes and Lower Costs

Decisions that affect patients stay in the hand of medical professionals under SB 951

SALEM, Ore. – The Oregon Senate Committee on Health Care today heard from the public and elected officials on a bill to keep licensed doctors in charge at medical practices. Senate Bill 951 closes a loophole in state law that has allowed for-profit investors make management decisions for medical practices.

"Oregon's healthcare landscape is changing rapidly—and our laws have not kept pace. In the last decade, we've seen an explosion of corporate and private equity takeovers of medical practices across the country, including right here in Oregon. It's time to put patient needs first," said **Rep. Ben Bowman (D - Tigard, Metzger & S Beaverton)**, House Majority Leader and a chief sponsor of the bill.

A law to keep medical professionals at the helm of practices is longstanding and long-supported in Oregon. In recent years, though, corporate investors used physicians connected to the clinics only on paper, who were not truly managing the practices, to outfox the law.

"Senate Bill 951 reaffirms a simple but vital principle: when you walk into a doctor's office, decisions about your care should be made by medical professionals—not corporate shareholders," said **Rep. Cyrus Javadi (R - Tillamook)**. "We're updating the safeguards first established in 1947 and closing the loopholes that let profit-driven practices undermine patients' best interests. This legislation ensures Oregonians can trust that any treatment or recommendation they receive is grounded in what works, not in what's most profitable."

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.

"There's a lot of evidence from all over the country that private equity and other huge for-profit investors in health care lead to poorer outcomes and less access to care for patients. In Oregon, we saw a dialysis clinic close, anesthesiologists cut back on surgeries, and clinics shutter their doors," said **Committee Chair Deb Patterson (D - Salem)**, who sponsors the bill in the Senate.

The loophole that SB 951 will close has permitted Oregon's dramatic rise in corporate and private-equity investment in health care in recent years. Three 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.

"I've personally spoken to hundreds of constituents who lost access to care after the takeover of Oregon Medical Group (OMG) by Optum in Eugene. I can't express enough the significance of this issue for my community and how important this legislation is for all Oregonians to have access to quality healthcare," said **Rep. Lisa Fragala (D - Eugene)**.

The committee plans to vote on advancing SB 951 next week.

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