

Public Comments

The <u>Health Care Market Oversight</u> (HCMO) program reviews proposed health care business deals to make sure they do not harm people and communities in Oregon. This document presents public comments related to the HCMO review of 039 OHSU-Legacy. OHA accepted public comments during the preliminary review period. Public comments were received via email to hcmo.info@oha.oregon.gov, voicemail, or by filling out the Public Comment Form. Comments are presented below in the order received and may include typos or misspellings. Personal contact information for individuals has been removed.

OHA expresses no views on the substance of these comments, and their publication does not constitute an endorsement by OHA of the views expressed.

You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact us by email at hcmo.info@oha.oregon.gov or by phone at 503-945-6161. We accept all relay calls.

1. Oppose the OHSU/Legacy plan to protect patient care. 10/11/2024

Dear OHA:

I am writing to oppose the proposed takeover of Legacy Health by Oregon Health and Science University. This corporate takeover will ultimately worsen patient care and reduce accountability in ways that are even now evident among OHSU's current business model. A consolidation of two such significant health care systems necessarily reduces competition and patient choice as well as further monopolize the labor market. Last year, the Legislature considered curtailing the private-sector consolidation of healthcare providers, with supporters of the measure pointing out that under corporate consolidation, "prices go up, both for payers and patients, on the order of 20 to 30%."Further, OHSU's own recent record demonstrates that those increased costs will not be invested in patient care or workforce, but in a top-heavy management structure. Just this year, OHSU's plan to save costs was to cut hundreds of jobs from

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the ground-level workforce while showering top executives, some of whom already make over \$1 million a year, with \$15 million worth of non-performance based bonuses.

OHSU's business model is staggeringly troubling when applied to the healthcare sector. It avails itself of the financing advantages of a public entity, but with none of the usual accountability or transparency. This is not a model we need to see more of in healthcare. Please oppose this takeover.

This public comment was sent to HCMO by each of the following individuals:

Louise, St. Helens

Kelly Pagliaro, Portland, OR

Lisa, Multnomah

Serah Ashborne, Multnomah

Sasha Walker, Portland

Dalsharra, Portland

John Wrightarguelles, Clackamas

Durga

Adam Gemmer, Multnomah County

Joe W.

Elizabeth Marion

Nathan, Bend

Lisa Bratton

Shannon, Astoria

Michelle, Coos

Zero

Taylor, Portland

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Jayce Turnbow, North Bend

Fae, Beaverton, Washington County

Joseph R, Portland

Stephanie Alford, Sandy

Joshua P., Portland

Samuel Berg, Newberg

Shane, Clackamas

Laura, Sandy

Joseph Kubes, Yamhill

Kristine, Hillsboro

Emily, Portland

Jay, Eugene

Kamille, Ashland

lan G.

Anthony Gonzales Rodriguez, Forest Grove

Sherman, Canby

Jeron Winters, Coos Bay

Mark, Portland

Joshua Michael Black, Medford Oregon

James, Portland

Matt McLinden, Washington County

Gene Petrov, Beaverton

Dewayne, Portland

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Cathin Y, Washington County

Zachary Graham, Washington County

Sabrina, Portland

Thomas Coatar, Portland

Kolbe Mckune, Jackson

Ernest, Medford

Meaghan Rios, Forest Grove

Anthony Tran, Oregon

Ray Fleetwood, Reedsport, OR

Ambrose Robinson, Scappoose

Ryan-Michael Riel, Portland

Kevin, Central Point

Chelsea, Bend

Echo, Gresham

Alec West, Salem

Devin, Benton County

Craig Oakley, Marion

Carmen, Salem, Oregon

LaShon, Washington

Lydia, Lane

Thomas Bailey, Portland

Danny Elridge, Klamath Falls

David Howard, Oregon

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Sarah, Oregon City

Ann

Blanca, Hillsboro

Fawnlily Von Almen, Multnomah

Kevin, Jackson County

Tiffany, Portland

Courtney Fisher, Portland

Dayla, Portland

Mellony, Oregon City

Cynthia, Lincoln

Glenda, Newberg

Alice Olson, Washington

Macie, Clackamas

James, Multnomah

Ivy Nicole, Lane

Kelly Rhodes, Clackamas

Adrean Smith, Multnomah

Stephanie, Harney County

Ryan Winfrey, Gladstone

Jonathon Wrighthouse, Clackamas

Lana, Portland

Eva Eastman, Columbia

Nancy, Scappoose

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Erica, Columbia

Debbie, Portland

Carol Worcester, Milwaukie

Thomas Heupel, Milwaukie

Susan Pitts, Clackamas

Ami

Kobee, Albany

Amber

Bridget Manley, Keizer, Oregon

Roberto Roman, Corneilus

April, Washington County

Deneene Brass, Marion County

Esrailian Zaven, Bend Oregon

Michelle McLaughlin, Grants Pass

Kaysie, Portland

David, Sherwood

Gabe, Lincoln County

Donna, Douglas

Eryn, Portland

Esai Alday, North Plains

Allan Dubray, Eugene

Theresa Barry, Milwaukie

Rai, Clackamas

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Michael

Jenn Hirt, Beaverton

Karen, Klamath

Alicia Benner, Douglas County

Pete, Portland

Nicholas

Michael Marshall, Aloha

Jennifer

Tristan Freeman, Portland

Kathy, Portland

Madison Walters, Portland

Cameron, Columbia

Uwin Hakan, Tigard

2. Stop the to preserve quality of care, 10/11/2024

To Healthcare Market Oversight, OHA:

I am writing to oppose the proposed takeover of Legacy Health by Oregon Health and Science University. This corporate takeover will ultimately worsen patient care and reduce accountability in ways that are even now evident among OHSU's current business model. A consolidation of two such significant health care systems necessarily reduces competition and patient choice as well as further monopolize the labor market. Last year, the Legislature considered curtailing the private-sector consolidation of healthcare providers, with supporters of the measure pointing out that under corporate consolidation, "prices go up, both for payers and patients, on the order of 20 to 30%."Further, OHSU's own recent record demonstrates that those increased costs will not be invested in patient care or workforce, but in a top-heavy management structure. Just this year, OHSU's plan to save costs was to cut hundreds of jobs from the ground-level workforce while showering top executives, some of whom already

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make over \$1 million a year, with \$15 million worth of non-performance based bonuses.

OHSU's business model is staggeringly troubling when applied to the healthcare sector. It avails itself of the financing advantages of a public entity, but with none of the usual accountability or transparency. This is not a model we need to see more of in healthcare. Please oppose this takeover.

I would personally be negatively impacted by this merger as a patient of Legacy Health. Thank you for your consideration.

From: Lynbo

Beaverton, Washington County

3. Stop the Legacy buyout, protect patients. 10/14/2024

To the Oregon Health Authority

I am writing to oppose the proposed takeover of Legacy Health by Oregon Health and Science University. This corporate takeover will ultimately worsen patient care and reduce accountability in ways that are even now evident among OHSU's current business model. A consolidation of two such significant health care systems necessarily reduces competition and patient choice as well as further monopolize the labor market. Last year, the Legislature considered curtailing the private-sector consolidation of healthcare providers, with supporters of the measure pointing out that under corporate consolidation, "prices go up, both for payers and patients, on the order of 20 to 30%."Further, OHSU's own recent record demonstrates that those increased costs will not be invested in patient care or workforce, but in a top-heavy management structure. Just this year, OHSU's plan to save costs was to cut hundreds of jobs from the ground-level workforce while showering top executives, some of whom already make over \$1 million a year, with \$15 million worth of non-performance based bonuses.

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As a Legacy employee I am opposed to the "merger" we have all been left in the dark wondering if we will have jobs. I have worked at Legacy for over 10 years, now everything I have worked for is in jeopardy. I have heard rumors that I will lose all seniority and probably will have to reapply for a job at a lower wage. If this happens I won't be able to afford to stay living in Oregon and will need to sell my house and move on from the community I grew up in.

Sincerely,

From: Alayna Smith

Gresham

4. Subject: Comment regarding OHSU-Legacy merger (dkt. No 39) and Legacy Foundation (dkt. No. 38), 10/20/2024

To Whom It May Concern:

My firm and I are counsel to an Oregon nonprofit devoted to health equity in Oregon. Our client is quite concerned about the recent request of OHSU and Legacy to fast-track review of the Legacy Foundation aspects of the OHSU/Legacy merger. The merging parties appear to be relying almost entirely on the Foundation to satisfy OHA's health equity requirements. As such, issues of the Foundation's governance, transparency and objectivity are central to the merger and OHA's review. The public, including organizations devoted to health equity, must have the time necessary to review and comment on the merging parties' proposals. This is especially so, given both OHSU's and Legacy's historic harms to minority communities in Portland and beyond. The equity issues that this merger presents are significant. Our client, on behalf of itself and the general public, respectfully requests a deliberate and thoughtful timeframe rather than a rush.

Thank you,

Cliff

Clifford Davidson

Snell & Wilmer Law Firm

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5. No subject, 10/21/2024

I don't know about the financial reasons related to this proposal, but I know that referring into the OHSU system is extremely difficult and they have long wait lists while referring into the Legacy system is easy and my patients get good, fast care. I worry that if they merge, Legacy will stop being easy to work with and will become part of the OHSU system in a way that will make it harder for my patients to get the care they need. I especially worry about this because my medicaid patients often can't be seen in the OHSU system without changing their CCO (which would make them unable to keep seeing me). OHSU is such an amazing resource to the region, but they have been increasingly difficult to work with as an outside provider.

Vera Alcorn

6. testimony against OHSU-Legacy merger, 10/23/2024

I am passionately opposed to the OHSU-Legacy merger. I am employed by OHSU as a professor. I am part of the APU union that is in negotiations with OHSU for a fair wage. I only work at OHSU 0.2 FTE because working for the School of Nursing represents a loss of income. I can make significantly more to support my family at most other clinical workplaces. This is consistent with FTC findings that the best opportunity for increased wages is for employees to have diverse employment opportunities--competition increases wages and helps workers negotiate for better workplace conditions. Reducing the major healthcare employers in the Portland Metro area to Kaiser Permanente, Providence, and OHSU-Legacy is a significant reduction in employment opportunities for healthcare providers like myself. We are facing a major healthcare worker shortage, which leads to delays in care for patients, due to deteriorating working conditions for healthcare providers.

I oppose the merger as a patient. I am a kidney transplant recipient. I had 2 options for care: Legacy and OHSU. I did not chose care at OHSU because they do not participate in the ONUS paired donation program. Instead, I asked to be seen at the Legacy Renal Transplant Center. Because I was able to use the paired donation network, my partner donated a kidney to a stranger and I received one from a stranger. I now am able to work full-time as a healthcare provider and professor of future healthcare workers. If I had to go through OHSU's program, I would still be on dialysis and waiting for a deceased donor match.

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I am a rural healthcare provider and I often face the challenge of referring patients for specialty care. Having another highly specialized hospital system in the state is crucial for my patients. At one time, OHSU's Urology Department would only see surgical urology patients and my uninsured patients needing "medical" urology care were forced to see local providers and pay out of pocket. At one time, the entire OHSU Cardiac Transplant team resigned en masse, this cost my friend a heart transplant. My friend who is currently fighting breast cancer waited for over a month to hear back on a referral for breast cancer treatment at OHSU, she was able to get into Providence within a week of her first call. It is essential for patient access to have alternatives for specialty.

Capella Lapham, FNP, DNP

7. Subject: Public Comment: OHSU and Legacy Merger, 10/27/24

I am writing regarding the OHSU and Legacy merger, specifically the parties' answers to question 16 on the impact to competition and its use of the Herfindahl-Hirschman Concentration (HHI) Index. My concern is twofold:

- 1. The analysis in the answer omitted Adventist Portland and Tuality Health in the before/after merger HHI levels.
- 2. The analysis broadly applied HHI in a way that does not reflect a realistic hospital market.

To expand on the first concern, Tuality and Adventist Portland are OHSU facilities. This means that the starting HHI should be about 1280 if we look at the market as defined in Question 16 exhibit 1. The post-acquisition value should be about 1,760, an increase of just under 500 points. This increase and ending point elevates the level of concern to "Moderate" as defined by the HCMO in Table B1 of the Analytic Framework.

My second concern is more extreme. The parties' quantified market share by inpatient discharges within a broad service, not within hospital markets. This broad use of HHI is misleading as it over-represents the number of competing hospitals and potential patients served resulting in lower scores (i.e., less concentrated). Proper application of HHI, as I am sure the council knows, is within a market and illustrates where residents might choose to receive care within a short travel time. Effectively market consolidation

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of this transaction should be distinctly analyzed for the Portland MSA (or CBSA), the Salem MSA, etc.

The Portland MSA is already moderately concentrated with an HHI at 2,245 using data from Question 16 exhibit 1 (Adventist Portland and Tuality included with OHSU's market share and inclusive of Hospitals in Washington, Multnomah, and Clark counties). The post-merger HHI is 3,366, a 1,121 increase, which by the HCMOs HHI thresholds will likely result in enhanced market power and has a high level of concern.

I encourage the HCMO to review the proposed merger with the appropriate high level of concern that it requires. Given the acquisition might avoid FTC review, the onus is on the committee to ensure that this acquisition does not reduce long-term access for Oregonians and/or increase prices through non-competitive action.

-Chris Conley, Portland Resident

8. No subject, 10/29/2024

As someone who has been both a patient and employee of OHSU and Legacy Health, I believe our city and state are fortunate to have both - given their strengths are different (community hospital and routine medicine vs. research and academic medicine). Should I be seeking care for a rare cancer or other disease, I would be grateful for the expertise of an academic medical center. I have found routine care delivered by a community hospital to be more supportive, convenient and accessible. Unsurprisingly, I have found the same as an employee. Having worked at each for more than a decade, I am confident in saying the executive leadership at Legacy Health cares about their employee experience. They lead with compassion and transparency. That was not my OHSU experience. And while I initially thought this merger might be good with each institution having different strengths, the actions of OHSU making a deal with a group of labor unions to favor some employees over others, trying to cover up inappropriate behavior by leadership (sexual harassment, racism, bonuses while laying people off, etc.) to be worrisome given they would be the remaining entity and executive leadership. Portland is a small market and healthcare employees have often worked at one other or several other systems in the area before landing at one that aligns with the worker's values. This merger doesn't just remove choice of the patient/consumer, but the employee/consumer. It will also likely lead to at least 1,000 or more jobs lost due to redundancies. I believe our community (patients, employees, other healthcare organizations) will be better served if these institutions

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reamain separate and simply continue to deliver care individually and when warranted and a benefit to the community, work together via joint ventures as they do now with the Knight Cancer Collaborative and others.

9. Comments re OHSU/Legacy Transaction, 10/31/2024

SEIU Local 49, AFSCME, Basic Rights Oregon, and Oregon Nurses Association submitted a letter of support regarding the proposed OHSU/Legacy transaction.

10. Legacy employee comment, 11/1/2024

To the HCMO,

As an occupational therapist and long-time Legacy Health employee, I am writing to express my concerns regarding the proposed merger between OHSU and Legacy Health. I am not in favor of this merger due to significant apprehensions about its implications for both employees and the community we serve.

First and foremost, I am deeply concerned about the potential for this merger to create a healthcare monopoly that will limit competition and make it increasingly challenging to enact meaningful change within the combined system. OHSU's recent strategies, including layoffs and cost-cutting measures, demonstrate a concerning trend where financial considerations seem prioritized over employee and patient well-being. Merging with Legacy risks further embedding these issues into a larger, more monolithic system where voices advocating for employee safety, patient care, and workplace satisfaction could be overshadowed.

Furthermore, the instability at the executive level at OHSU raises red flags about the organization's ability to maintain effective and compassionate leadership in the merged entity. From my experience, healthcare should be about more than just the bottom line—it should focus on enhancing access to quality care, ensuring safe working conditions, and fostering an environment where employees feel valued and empowered. Legacy has a culture of people first and I feel that OHSU prioritizes money first.

I urge you to consider these concerns as you evaluate this merger proposal. The impact on our community and the healthcare workforce cannot be overlooked.

Thank you for your attention to these critical issues.

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Sincerely,

Rose Lee, OTR/L

Occupational Therapist

11. Subject: OHSU/Legacy Merger, 11/1/2024

To the Oregon Health Authority:

I'm writing to offer my support for the proposed merger between the Legacy Health System and the Oregon Health and Sciences University. I believe that this merger could potentially offer significant benefit to Oregonians and the Pacific Northwest region at large in terms of patient access, cost of care and quality of medical services.

There are, however, caveats to this support. If the merger results in the diminished capacity of independent practices, or the actual elimination of independent practices that currently provide health care services to those organizations (particularly Legacy), my concern would be that those same critical elements--access, quality and cost-would be negatively impacted, perhaps critically.

My fear is that given the pressures for cost containment in this new consolidated entity, vertical integration of surgical services in particular would seem to provide a tempting target for budgetary savings. In fact, what it would do is result in a loss of access and a loss of providers over the long term. This is a trend that has been clearly demonstrated not only in Portland but across the country, and there is no need to repeat this mistake again.

I sincerely hope that the review of this merger can help propel the new organization forward with a robust sense of the value of independent medical practices, and perhaps some guardrails in place to help ensure the continued vitality of our independent partners in all of the medical specialties caring for our community.

Warm Regards,

Mike Axley, MD, MS

President

Oregon Anesthesiology Group

12. No subject, 11/1/2024

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To OHA & HCMO staff-

I am writing to express my support for OHSU's proposed transaction with Legacy Health. I am a current employee of Legacy Health, where I have worked for the past twenty years. I work in the EVS department, keeping the day surgery area of Randall Children's Hospital clean and safe for patients and their families.

I am supportive of this transaction because I think it will mean improvements for the thousands of employees of Legacy Health, and the even more patients that we serve. I also like that we will have a local, Oregon-based employer.

While I enjoy my job and am proud of being part of the team that makes each part of the hospital run, I have never felt like I was treated as part of the team by Legacy leadership. I am hopeful that all this can change with OHSU.

Already OHSU is being more transparent and upfront with us about what this transaction will mean for healthcare workers like me. Being clear with employees about job security, pay and benefits goes a long way to building a trusting relationship, and to retaining experienced workers. When we see an employer caring about us, their employees, it makes a difference. It makes a difference not only for workers like me, but for our patients too. When experienced workers stay working in the hospital, we are able to deliver more efficient and high-quality care that benefits patients.

Thank you for considering my comments,

Sunita Patel

13. OHSU Legacy public comment, 11/4/2024

The Oregon Trial Lawyers submitted a comment in opposition. The letter has been posted on the HCMO webpage.

About HCMO

The Healthcare Market Oversight Program reviews proposed health care business deals to make sure they support statewide goals related to cost, equity, access, and quality. For more info, you can connect with HCMO staff:

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Health Care Market Oversight 421 SW Oak St, Suite 850 Portland, OR, 97204 503-945-6161 hcmo.info@oha.oregon.gov oregon.gov/HCMO



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