



Summary of the *Patients Over Profits (POP) Act*

Introduced by Senators Jeff Merkley (D-OR) and Elizabeth Warren (D-MA)
and Representatives Val Hoyle (D-OR), Pat Ryan (D-NY), and Pramila Jayapal (D-WA)

Background

In 2024, UnitedHealthcare, through its subsidiary Optum, purchased the Corvallis Clinic, the largest independently owned physician practice in Oregon's mid-Willamette Valley, which was reportedly pushed to the brink of insolvency due to the Change Healthcare cyberattack. This was not the first time Optum purchase a clinic in Oregon – Optum also purchased Oregon Medical Group in Eugene and then reportedly lost dozens of doctors and kicked out thousands of patients after being acquired.

Unfortunately, this type of vertical integration in the healthcare setting is not unique to Oregon. Across the country, Optum has spent \$31 billion on acquisitions over a two-year period, and has purchased everything from physician practices to ambulatory surgical centers. In addition, according to Stat News, UnitedHealth Group, of which Optum is a subsidiary, acquired full or partial ownership stakes in more than 100 surgery centers in 2024.

When this kind of vertical integration occurs, patients and providers lose. That's because these acquisitions threaten equitable access to care, raise costs, and reduce physicians' clinical autonomy. It is also a conflict of interest because insurance companies like Optum can steer patients to their own providers and subsidiaries, potentially to increase profits, rather than focusing on medical necessity.

Senators Merkley and Warren and Representatives Hoyle, Ryan, and Jayapal developed the *Patients Over Profits (POP) Act* to respond to this kind of vertical consolidation and protect both patients and providers across the country.

The *Patients Over Profits Act* does the following:

- Prevents insurance companies or their subsidiaries from owning a Medicare Part B or C provider.
- Requires insurance companies or their subsidiaries who also own Medicare Part B or C providers to divest and if they do not, a civil action can be brought by the FTC, a State Attorney General (AG), the Inspector General of the U.S. Department of Health and Human Services (HHS), or the Assistant AG in charge of Antitrust at DOJ.
- Prevents the Health and Human Services Secretary from contracting with a Medicare Advantage (MA) Organization that also owns a Medicare Part B or C provider – this would strongly disincentivize these insurance companies from owning clinics because they would not want to forego profits from MA plans.

