



American Medical Women's Association
The Vision and Voice of Women in Medicine since 1915

March 8, 2021

The Honorable Jim Wood
Chair, Assembly Health Committee
Capitol Room 6005
Sacramento, CA 95814

Dear Assemblymember Wood:

On behalf of the American Medical Women's Association (AMWA), we are pleased to support AB 705, the PEACE Act, by Assemblymember Kamlager, to increase patient protections by prohibiting health facilities from limiting access to necessary medical services based upon nonclinical purposes.

The hospital industry has consolidated and changed during the past few decades. One trend that has impacted patient care is hospital mergers and affiliations. By acquiring all of the health care practices in a certain region, corporations create monopolies in which they are the *only* option for patients seeking medical care. This allows them to charge exorbitant prices and deny certain types of medical care based on non-clinical criteria, such as shareholder profits and religious doctrine.

Religious health systems have been acquiring independent health facilities at unprecedented rates. The religious institutions involved in mergers prohibit a number of services from being provided in their facilities, including reproductive care, access to contraception, surrogacy arrangements, assisted reproduction, and compliance with Advance Health Care Directives and patient end-of-life wishes that are contrary to religious teachings

Religious hospitals are not the only entities threatening patient access to medical care. In recent years, private equity firms have also been acquiring independent practices at unprecedented rates. When private equity firms acquire physician practices, shareholders maximize profits by forcing physicians to perform unnecessary but expensive procedures, direct more referrals internally, and charge higher rates for medical care. In addition, hospitals without competition get away with rendering only profitable services. Ultimately, when one entity dominates the market, shareholders profit, but patients suffer.

The PEACE Act ensures that patients have access to necessary and comprehensive medical care as recommended by their physician and other healthcare professionals.

Thank you in advance for your consideration of our support position.

Sincerely,

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