

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

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**Action:** Do Pass With Amendments to the A-Engrossed Measure, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by prior reference

**Vote:** 5 - 0 - 0

**Yeas:** Kruse, Monnes Anderson, Telfer, Verger, Morrisette

**Nays:** 0

**Exc.:** 0

**Prepared By:** Jennifer Kellar, Administrator

**Meeting Dates:** 4/29, 5/6

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**WHAT THE MEASURE DOES:** Transfers administration of the Rural Health Services Program from the Oregon Student Assistance Commission to the Office of Rural Health. Redefines “qualifying practice site” to reference the federal Rural Health Clinics Act of 1977. Declares an emergency and takes effect upon passage.

**ISSUES DISCUSSED:**

- Ability to raise private funding to match loan repayment program
- Funding level for loan repayment program
- Future of program
- Number of awards granted and eligible participants in program
- Mal-distribution of health care workforce in urban versus rural areas

**EFFECT OF COMMITTEE AMENDMENT:** Adds emergency clause into measure.

**BACKGROUND:** The Oregon Student Assistance Commission (OSAC) administers a variety of state, federal and privately-funded student financial aid programs for Oregonians attending institutions of postsecondary education. OSAC’s mission is to assist Oregon students and their families in attaining a postsecondary education and to enhance the value, integrity and diversity of Oregon’s college programs. The funding level for the program was \$400,000 per biennium when created in 1989 and remains at that level today, allowing approximately half a dozen repayment awards to be made each year. One of the programs administered by OSAC is the Oregon Rural Health Services Loan Repayment Program, created by the Legislative Assembly in 1989, which offers loan repayment to primary care physicians, dentists, pharmacists, nurse practitioners and physician assistants who agree to practice in a “qualifying practice site” as defined in OAR 575-071-0000. Obligated service for primary care physicians, pharmacists and dentists is a minimum of three years; the minimum for nurse practitioners and physician assistants is two years.

OSAC has many programs that are larger and/or higher priorities than the loan repayment program, and believes that the Oregon Office of Rural Health is an appropriate place to transfer the loan program so that it may expand and target more rural areas.