

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
Vote:	7 - 0 - 1
Yeas:	Cannon, Doherty, Hoyle, Kennemer, Parrish, Greenlick, Thompson
Nays:	0
Exc.:	Weidner
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/9, 3/7, 311

WHAT THE MEASURE DOES: Creates loan forgiveness program for primary care practitioners in Office of Rural Health. Creates Primary Health Care Loan Forgiveness Program Fund. Requires participants to be enrolled in Rural Scholars Program at Oregon Health and Science University (OHSU). Authorizes OHSU to collect on default loans. Adds requirement that participant/student fails to complete the required course of study, shall repay amount received to Primary Health Care Loan Forgiveness Program plus 10 percent interest. Specifies that funds be appropriated to Oregon Department of Administrative Services for distribution to Office of Rural Health. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current tuition expense
- Shortage of providers in rural communities
- Assessed penalties for anyone who defaults on agreement
- Oregon Rural Scholars program at Oregon Health and Science University
- Proposed amendment

EFFECT OF COMMITTEE AMENDMENT: Requires participants to be enrolled in Rural Scholars Program at Oregon Health and Science University (OHSU). Authorizes OHSU to collect on default loans. Adds requirement that if participant/student fails to complete required course of study, they shall repay the amount received to the Primary Health Care Loan Forgiveness Program plus 10 percent interest. Specifies that the funds be appropriated to Oregon Department of Administrative Services for distribution to Office of Rural Health.

BACKGROUND: Students studying to be physicians, nurse practitioners and physicians assistants who commit to practicing in rural, underserved areas of Oregon and helping build the state’s primary care workforce may be eligible for a loan forgiveness program. One year of the loan will be “forgiven” for each year the recipient works in rural Oregon. Penalties would be assessed for anyone who defaults on their loan agreement.

One of the best ways to ensure a rural health care workforce is for rural communities to “grow their own.” The expense of tuition and the uncertainty of loan repayment prevent many rural youth from even considering a career as a health care professional. Building on programs such as the new Oregon Health and Science University (OHSU) Rural Scholars Program, Oregon can help rural communities develop the medical professionals they need.

Loan forgiveness differs from loan repayment in that it targets students who know early in their medical education that they want to practice rural medicine. Loan forgiveness can provide a long-term solution to retaining health care professionals in rural communities.