

Joint Committee on Ways and Means

Carrier – House: Rep. Thatcher
Carrier – Senate: Sen. Bates

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 24 – 0 – 1

House

Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Richardson,
G. Smith, Thatcher, Whisnant

Nays:

Exc: Nolan

Senate

Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters

Nays:

Exc:

Prepared By: Linda Ames, Legislative Fiscal Office

Meeting Date: June 8, 2011

WHAT THE MEASURE DOES: Establishes Rural Medical Liability Subsidy Fund and places it in the Treasury. Directs Oregon Health Authority to provide payments to insurers to subsidize the cost of medical malpractice liability insurance premiums for certain rural physicians and nurse practitioners along a scale determined by practice area. Establishes mechanisms for the program to lower or eliminate the amount provided for premium reductions if available program funds do not cover the maximum allowed reimbursement and limits maximum reimbursements levels. Requires biennial report to Legislative Assembly on performance of program. Requires annual compliance measures to ensure subsidized practitioners are seeing the required proportion of patients on Medicare and medical assistance. Takes effect upon passage.

ISSUES DISCUSSED:

- Fiscal impact of the bill is included in SB 5529, the budget bill for the Oregon Health Authority

EFFECT OF COMMITTEE AMENDMENT: Deletes the section of the bill that appropriates money.

BACKGROUND: The Rural Medical Professional Liability Reinsurance Program was created by the Legislature in 2003 (HB 3630) to provide state-funded subsidies of physician malpractice premiums for rural physicians. The legislation was the result of concerns about the significant increase in professional liability insurance premiums and the effects of rate increases on the availability of medical care in rural Oregon. The program was managed by the State Accident Insurance Fund Corporation (SAIF), which was reimbursed for the costs of the program through a credit against the workers compensation premium assessment it paid the Department of Consumer and Business Services. Then in 2007, the Legislature (via SB 183) extended the program through 2011 and allowed nurse practitioners to qualify for reimbursement.