

Joint Committee on Ways and Means

Carrier – House: Rep. Nathanson
Carrier – Senate: Sen. Steiner Hayward

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 – 2

House

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jensen, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays:

Exc:

Senate

Yeas: Devlin, Edwards, Girod, Hansell, Johnson, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc: Bates, Monroe

Prepared By: Linda Ames, Legislative Fiscal Office

Meeting Date: April 19, 2013

WHAT THE MEASURE DOES: Establishes Primary Care Provider Loan Repayment Fund, separate from General Fund. Directs the Oregon Health Authority (OHA) to establish, by rule, eligibility criteria, program terms and conditions, and types of loans. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Effects of amendments
- Source of funding

EFFECT OF COMMITTEE AMENDMENT: Specifies that the Oregon Health and Science University (OHSU) should reserve a number of admissions to each class at the medical school for qualified students who demonstrate an interest in practicing in rural or medically underserved areas. In addition, OHSU should support them with resources such as clinical rotations in rural or medically underserved areas, programs that allow a student to complete a clerkship in family medicine and rural and community health in a single rural Oregon community and technical assistance with accessing education loan and assistance programs. Not more than 15 percent of the students in each class shall be admitted under this section, consistent with the intent of the Legislative Assembly to encourage the availability of medical services in rural and medically underserved areas of this state. Directs OHA to transfer up to \$4 million from the Oregon Health Authority Fund to the Primary Care Provider Loan Repayment Fund.

BACKGROUND: As part of Oregon's Medicaid Demonstration, approved by the Centers for Medicaid and Medicare Services in July 2012, the state agreed to establish and fund a loan repayment program for primary care physicians who agree to work in rural or underserved communities and to serve Medicaid and Medicare patients.

Senate Bill 440 establishes the Primary Care Provider Loan Repayment Program. The program is established within the Oregon Health Authority (OHA), a requirement of the waiver, and the waiver allows OHA to contract with another entity to administer the program. Additionally, the bill directs OHA to determine by rule the types of providers who will be eligible to participate in the program, the conditions of participation and the duration of the commitment that will be required for participation and the penalty for providers who do not fulfill the commitments.

Senate Bill 440 will address the primary care provider workforce shortage in Oregon's rural and medically underserved areas. The new program will replace the existing Primary Care Services Program, administered by the Office of Rural Health. Senate Bill 440 will repeal this program upon completion of the outstanding contracts with providers around the state.