# 77<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2013 Session BUDGET REPORT AND MEASURE SUMMARY

#### JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 2-A

Carrier – House: Rep. Sprenger Carrier – Senate: Sen. Girod

Action: Do Pass as Amended and as Printed A-Engrossed

**Vote:** 20 - 4 - 2

**House** 

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, Read, Smith, Williamson

Nays: Nathanson, Richardson

Exc: McLane, Tomei

<u>Senate</u>

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

Nays: Bates, Winters

Exc:

**Prepared By:** Bill McGee, Department of Administrative Services

**Reviewed By:** Doug Wilson, Legislative Fiscal Office

Meeting Date: June 12, 2013

**Agency** 

Oregon Health and Sciences University

**Biennium** 2013-15

#### **Budget Summary** 2011-13 Legislatively 2013-15 Current Service **2013-15 Committee** Committee Change from 2011-13 Approved Budget<sup>(1)</sup> Leg. Approved Level Recommendation

\$ Change General Fund 100.0% \$ 0 \$ 2,500,000 \$ 2,500,000 \$

# **Summary of Revenue Changes**

The Scholars for a Healthy Oregon Initiative is established with a General Fund allocation to the Oregon Health and Science University (OHSU). Since OHSU was shifted from a state agency to a public corporation in 1995, the funds are appropriated to the Department of Administrative Services for distribution to OHSU. Funds repaid by students who fail to complete their service commitment are required to be deposited into a separate fund restricted for use in this program. OHSU is authorized to accept funds from any public or private source to support the initiative.

### **Summary of Education Subcommittee Action**

Senate Bill 2 establishes Scholars for a Healthy Oregon Initiative at the Oregon Health and Science University (OHSU). The program will pay the entire cost of tuition and fees in exchange for a commitment from students to work after graduation in medically underserved communities in Oregon. Oregon residents entering OHSU programs leading to degrees as physicians, dentists, nurse practitioners, physician assistants, and certified registered nurse anesthetists will be eligible for the program. Priority is to be given to students from a rural heritage, first generation college students, or students from diverse or underrepresented communities.

Students enrolled in the program will commit to work in full-time practice at a site designated as a critical need area, seeing patients regardless of ability to pay. Designated service sites are those in which the geographic area, population make-up, or facility site is within a Health Professional Shortage Area, Medically Underserved Area, or Medically Underserved Population, as designated by the U.S. Department of Health and Human Services. Designated service sites also include rural health clinics, federally qualified health clinics, and rural clinical hospitals.

After graduation, health care practitioners will be required to practice in a designated service site for one year longer than they participated in the health care program (e.g. medical school). Failure to meet this commitment will require a student to repay the full cost of their tuition and fees plus an additional 25 percent penalty. The repayment amount is reduced proportionately for each year the participant serves in a designated area.

The Subcommittee approved an appropriation of \$2,500,000 General Fund to implement the Scholars of a Healthy Oregon Initiative in the 2014-15 academic year. This level of funding is expected to fund approximately 21 students.

% Change

#### **DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Department of Administrative Services Bill McGee 503-378-2078

					 OTHE	FUNDS	FEDERAL FUNDS				TOTAL			
	(	GENERAL		LOTTERY								ALL		
DESCRIPTION		FUND		FUNDS	LIMITED		NONLIMITED	LIMITED		NONLIMITED		FUNDS	POS	FTE
2011-13 Legislatively Approved Budget at Dec 2012 *			\$	0			\$ 0		\$			0	0	0.00
2013-15 ORBITS printed Current Service Level (CSL)*	<b>Þ</b>	0	\$	0	\$ 0		\$ 0	\$ Ü	\$	0	\$	0	0	0.00
SUBCOMMITTEE ADJUSTMENTS (from CSL) SCR 002: Education & General/Hospitals & Clinics Special Payments: Other Special Payments	/CD	RC 2,500,000	\$	0	\$ 0	1	\$ 0	\$ 0	\$	0	\$	2,500,000	0	0.00
TOTAL ADJUSTMENTS	\$	2,500,000	\$	0	\$ 0		\$ 0	\$ 0	\$	0	\$	2,500,000	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$	2,500,000	\$	0	\$ 0		\$ 0	\$ 0	\$	0	\$	2,500,000	0	0.00
% Change from 2011-13 Leg Approved Budget % Change from 2013-15 Current Service Level		100.0% 100.0%		0.0% 0.0%	0.0% 0.0%		0.0% 0.0%	0.0% 0.0%		0.0% 0.0%		100.0% 100.0%	0.0% 0.0%	0.0% 0.0%

<sup>\*</sup>Excludes Capital Construction Expenditures