

Enrolled
Senate Bill 440

Sponsored by Senators STEINER HAYWARD, THOMSEN, Representative SMITH; Senators BAERTSCHIGER JR, BEYER, COURTNEY, DEVLIN, EDWARDS, GEORGE, JOHNSON, KNOPP, KRUSE, MONNES ANDERSON, MONROE, OLSEN, ROSENBAUM, SHIELDS, WHITSETT (Pre-session filed.)

CHAPTER

AN ACT

Relating to primary care providers; creating new provisions; amending ORS 442.563, 442.568, 442.570 and 677.141; repealing ORS 442.550, 442.555 and 442.560; appropriating money; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) There is created in the Oregon Health Authority the primary care provider loan repayment program for the purpose of assisting primary care providers who have committed to serving medical assistance recipients in rural or medically underserved areas of the state.

(2) The authority shall prescribe by rule:

(a) Participant eligibility criteria, including the types of primary care providers who may participate in the program;

(b) The terms and conditions of participation in the program, including the duration of the term for which a participant makes a commitment under subsection (1) of this section;

(c) The types of loans for which payments may be provided;

(d) The priority for distribution of funds available under section 2 of this 2013 Act if the funds are insufficient to provide assistance to all of the applicants who are eligible to participate in the program; and

(e) The financial penalties imposed on a participant who fails to complete the term of the commitment.

(3) The authority may enter into contracts with one or more public or private entities to administer the program or parts of the program.

SECTION 2. (1) There is established the Primary Care Provider Loan Repayment Fund in the State Treasury, separate and distinct from the General Fund. Interest earned by the Primary Care Provider Loan Repayment Fund is credited to the fund. The Primary Care Provider Loan Repayment Fund consists of moneys appropriated from the General Fund, federal moneys received for the purpose of operating the primary care provider loan repayment program and financial penalties recovered by the Oregon Health Authority from primary care providers who fail to meet their service obligations. Moneys in the Primary Care Provider Loan Repayment Fund are continuously appropriated to the authority to be used to implement and operate the primary care provider loan repayment program.

(2) **The authority may accept gifts, grants, bequests, endowments and donations from public or private sources for deposit into the Primary Care Provider Loan Repayment Fund.**

SECTION 3. The Oregon Health Authority shall, not later than June 30, 2015, transfer up to \$4 million from the Oregon Health Authority Fund established by ORS 413.101 to the Primary Care Provider Loan Repayment Fund established under section 2 of this 2013 Act.

SECTION 4. ORS 442.550, 442.555 and 442.560 are repealed on January 2, 2014.

SECTION 5. ORS 442.563 is amended to read:

442.563. (1) *[Subject to ORS 442.560,]* The Office of Rural Health shall establish criteria for certifying individuals eligible for the tax credit authorized by ORS 315.613, 315.616 or 315.619. Upon application therefor, the office shall certify individuals eligible for the tax credit authorized by ORS 315.613.

(2) The classification of rural hospitals for purposes of determining eligibility under this section shall be the classification of the hospital in effect on January 1, 1991.

SECTION 6. ORS 442.568 is amended to read:

442.568. (1) The Oregon Health and Science University shall develop and implement a program to focus recruitment efforts on students who reside in or who are interested in practicing in rural *[areas]* **or medically underserved areas of this state.**

(2) The university shall reserve a number of admissions to each class at the medical school for *[qualified students who agree to participate in the Primary Care Services Program. The number of admissions under this section is not required to exceed 15 percent of each class, but that figure is a goal consistent with the long term intention of the Legislative Assembly to encourage the availability of medical services in rural areas.]* **qualified students who demonstrate an interest in practicing medicine in rural or medically underserved areas of this state. Once the students are admitted, the university shall 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.**

(3) In the event that the university is unable to recruit the number of qualified students required under subsection (2) of this section, after having made a reasonable effort to do so, the university is authorized to fill the remaining positions with other eligible candidates.

SECTION 7. ORS 442.570 is amended to read:

442.570. (1) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Primary Care Services Fund. Moneys in the Primary Care Services Fund are continuously appropriated to the Oregon Department of Administrative Services for allocation to the Office of Rural Health for investments as provided by ORS 293.701 to 293.820, for expenses and payments by the office in carrying out the purposes of ORS 315.613, 315.616, 315.619, 353.450, 442.470, 442.503 and 442.550 to 442.570. Interest earned by the fund shall be credited to the fund.

(2) The office shall seek matching funds from the federal government and from communities that benefit from placement of participants under ORS 442.550 to 442.570. The office shall establish a program to enroll interested communities in this program and deposit moneys from the matching funds *[and from the Primary Care Services Program]* in the Primary Care Services Fund. In addition, the office shall explore other funding sources including federal grant programs.

SECTION 8. ORS 677.141 is amended to read:

677.141. (1) A physician issued a license under ORS 677.139 is subject to all the provisions of this chapter and to all the rules of the Oregon Medical Board. A physician issued a license under ORS 677.139 has the same duties and responsibilities and is subject to the same penalties and sanctions as any other physician licensed under this chapter.

(2) A physician issued a license under ORS 677.139 may not:

- (a) Act as a dispensing physician as defined in ORS 677.010;
 - (b) Administer controlled substances for the treatment of intractable pain to a person located within this state;
 - (c) Employ a physician assistant as defined in ORS 677.495 to treat a person located within this state;
 - (d) Claim the tax deduction provided by ORS 316.076;
 - (e) Participate in the [*Primary Care Services Program under ORS 442.550 to 442.570*] **primary care provider loan repayment program created in section 1 of this 2013 Act**; or
 - (f) Assert a lien for services under ORS 87.555.
- (3) A physician licensed under ORS 677.139 shall comply with all patient confidentiality requirements of this state, except as those requirements are expressly prohibited by the law of any other state of the United States where a person's medical records are maintained.

SECTION 9. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

Passed by Senate April 25, 2013

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 Robert Taylor, Secretary of Senate

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 Peter Courtney, President of Senate

Passed by House May 8, 2013

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 Tina Kotek, Speaker of House

Received by Governor:

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Approved:

.....M,....., 2013

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 John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2013

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 Kate Brown, Secretary of State