

**BUDGET REPORT AND MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Action:** Do Pass With Amendments To The B-Eng Bill. (Printed C-Eng.)

**Action Date:**

**Vote:**

**Prepared By:** Art Ayre, Department of Administrative Services

**Reviewed By:** Kim To, Legislative Fiscal Office

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**Agency:** Oregon Health Authority

**Biennium:** 2015-17

## **Budget Summary**

	<b>2013-15 Legislatively Approved Budget</b>	<b>2015-17 Current Service Level</b>	<b>2015-17 Committee Recommendation</b>	<b>Committee Change from 2013-15 Leg. Approved</b>	
				<u>\$ Change</u>	<u>% Change</u>
General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,000</u>	<u>\$ 180,000</u>	<u>100.0%</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,000</u>	<u>\$ 180,000</u>	<u>100.0%</u>

## **Position Summary**

Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00

## **Revenue Summary**

House Bill 3396 appropriates \$180,000 General Fund to the Oregon Health Authority (OHA) to conduct a study on the effectiveness of current incentive programs offered by the state to recruit and retain qualified health care providers in rural and medically underserved areas with the aim of developing recommendations for the continuation, restructuring, consolidation, or repeal of existing programs; or the establishment of new incentive efforts.

## **Summary of Capital Construction Subcommittee Action**

House Bill 3396 creates a health care provider incentive program to assist qualified health care providers committed to serving medical assistance recipients in rural or medically underserved areas in Oregon. It requires OHA to prescribe by rule the terms and conditions of the program. The bill establishes the Health Care Provider Incentive Fund to consolidate Oregon's health care provider incentive programs. Moneys in the fund are continuously appropriated to OHA to administer the Health Care Provider Incentive program. Priority for the distribution of funds must be based on guidance from the Health Care Workforce Committee. The bill permits OHA to contract with a third party to administer all or parts of the program.

The bill requires the Oregon Health Policy Board (OHPB) in OHA to study the effectiveness of current financial incentives offered by the state to recruit and retain qualified health care providers with the aim of developing recommendations for the continuation, restructuring, consolidation, or repeal of existing programs; or the establishment of new incentive efforts. It allows OHA to consult with the Graduate Medical Education Consortium, the Health Care Work Force Institute, the Office of Rural Health, the Oregon Center for Nursing, or other appropriate entities. It authorizes OHPB to contract with a third party to assist with the development of these recommendations. It requires OHPB to submit a progress report to an interim legislative committee during November 2015 and report to the Legislature by September 1, 2016 with its final recommendations.

The bill extends the tax credit available to persons providing rural medical care from January 1, 2016 to January 1, 2018.

The bill modifies statutes relating to tax credit available to persons providing rural medical care and affiliated with certain rural hospitals, defining “qualified metropolitan statistical area” and including tax credit eligibility for providers actively working in a hospital located 30 or more highway miles from the closest hospital within the major population center in a metropolitan statistical.

The bill repeals the Nursing Services Account, the Nursing Services Program, the Health Care Workforce Strategic Fund, Scholars for a Health Oregon Initiative program, the Primary Care Provider Loan Repayment Fund, the Primary Care Loan Repayment program, Primary Health Care Loan Forgiveness Program, and the program to provide payments to medical professional liability insurance insurers to subsidize the cost of premiums charged by the insurers to certain eligible practitioners.

The bill stipulates that current service agreements remain in effect for the term specified in the existing agreement, and individuals currently participating in the primary care provider loan repayment program can continue to participate for the duration of the term of their existing agreement. It requires that unexpended balances of moneys appropriated to the Primary Health Care Loan Forgiveness Program Fund and unexpended balances of the Scholars for a Health Oregon Initiative to be transferred to the Health Care Provider Incentive Fund.

#### Health Policy Programs

The bill appropriates \$180,000 General Fund to OHA to conduct a study on the effectiveness of current incentive programs offered by the state to recruit and retain qualified health care providers in rural and medically underserved areas with the aim of developing recommendations for the continuation, restructuring, consolidation, or repeal of existing programs; or the establishment of new incentive efforts.

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

**HB 3396-C**

Oregon Health Authority  
 Art Ayre -- 503-378-3108

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE RECOMMENDATION</u>									
<b>SCR 020-08 - Health Policy Programs</b>									
Services and Supplies	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000		
<b>TOTAL SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ 180,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180,000</b>	<b>0</b>	<b>0.00</b>