

HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3396

By JOINT COMMITTEE ON WAYS AND MEANS

June 30

1 On page 1 of the printed A-engrossed bill, line 2, after “ORS” delete the rest of the line and
2 delete line 3 and insert “348.570 and 677.141 and section 25, chapter 913, Oregon Laws 2009; re-
3 pealing ORS 348.303, 413.018, 413.127, 413.233, 442.535, 442.540, 442.545, 442.573, 442.574, 676.550,
4 676.552, 676.554 and 676.556; and declaring an emergency.

5 “Whereas the State of Oregon spends approximately \$30 million each year on various incentive
6 programs for health care professionals; and

7 “Whereas the incentive programs are effective but it is unclear whether the programs produce
8 the best results for the tax dollars spent on the programs; and

9 “Whereas taxpayers deserve to have confidence that their tax dollars are being spent in the
10 most thoughtful way possible; and

11 “Whereas Oregonians and health care professionals in rural and medically underserved areas
12 need assurances that critical health care programs will not be shut down without effective programs
13 to replace them; and

14 “Whereas this 2015 Act is intended to initiate a close look at how tax dollars are spent to en-
15 sure that taxpayers enjoy the best value possible; and

16 “Whereas this 2015 Act is not intended to allow for incentive programs to be shut down before
17 the programs can be retooled or replaced with more effective programs; now, therefore,”.

18 Delete lines 5 through 24 and delete pages 2 through 4 and insert:

19 “**SECTION 1. The Health Care Provider Incentive Fund is established in the State**
20 **Treasury, separate and distinct from the General Fund. Interest earned by the Health Care**
21 **Provider Incentive Fund shall be credited to the fund. Moneys in the fund are continuously**
22 **appropriated to the Oregon Health Authority to carry out section 2 of this 2015 Act.**

23 “**SECTION 2. (1) There is created in the Oregon Health Authority a health care provider**
24 **incentive program for the purpose of assisting qualified health care providers who have**
25 **committed to serving medical assistance recipients in rural or medically underserved areas**
26 **of this state. The authority shall prescribe by rule:**

27 “(a) **Participant eligibility criteria, including the types of qualified health care providers**
28 **who may participate in the program;**

29 “(b) **The terms and conditions of participation in the program, including the duration of**
30 **the term of any service agreement;**

31 “(c) **The types of incentives that may be provided;**

32 “(d) **If the funds allocated to the program from the Health Care Provider Incentive Fund**
33 **established under section 1 of this 2015 Act are insufficient to provide assistance to all of the**
34 **applicants who are eligible to participate in the program, the priority for the distribution of**
35 **funds, based on guidance from the Health Care Workforce Committee; and**

1 “(e) The financial penalties imposed on an individual who fails to comply with terms and
2 conditions of participation.

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

5 “SECTION 3. (1) The Oregon Health Policy Board shall study and evaluate the effective-
6 ness of financial incentives offered by the state to recruit and retain qualified health care
7 providers in rural and medically underserved areas.

8 “(2) On the basis of the study, the board shall develop recommendations with respect to:

9 “(a) The continuation, restructuring, consolidation or repeal of the incentives;

10 “(b) The priority for distribution of incentive funds allocated to the program from the
11 Health Care Provider Incentive Fund established under section 1 of this 2015 Act to qualified
12 health care providers; and

13 “(c) New financial incentive programs.

14 “(3) The recommendations must address, but need not be limited to:

15 “(a) Financial assistance programs for students in both the publicly funded and private
16 institutions in this state that provide post-graduate training in medical fields;

17 “(b) Loans, grants or other financial incentives to hospitals and teaching health centers
18 for the purpose of establishing or expanding residency programs, including recommendations
19 for the eligibility criteria, repayment provisions, interest rates and other requirements for
20 financial incentives;

21 “(c) Low-interest loans, short-term emergency funding or grants for type A, B and C
22 hospitals that are at risk of closure due to financial instability;

23 “(d) Direct subsidies or bonus payments to qualified health care providers for services
24 provided in rural and medically underserved areas;

25 “(e) Creation of a retirement plan to offer to licensed or certified providers as an incen-
26 tive to provide services in rural and medically underserved areas and to medically under-
27 served populations in this state;

28 “(f) The criteria for tax credits, including adding means testing or time limits;

29 “(g) Opportunities that are available to secure private or public, local or federal matching
30 funds; and

31 “(h) The definitions of rural area, medically underserved area and qualified health care
32 provider.

33 “(4) In developing recommendations under this section, the Oregon Health Policy Board
34 may consult with the Graduate Medical Education Consortium, the Oregon Healthcare
35 Workforce Institute, the Office of Rural Health, the Oregon Center for Nursing or other
36 appropriate entities.

37 “(5) The Oregon Health Policy Board may contract with a public or private entity to as-
38 sist in the development of recommendations.

39 “(6) The Oregon Health Policy Board shall report on the progress in developing recom-
40 mendations under this section to the interim committees of the Legislative Assembly related
41 to health during the interim committee meetings in November 2015 and to the committees
42 of the Legislative Assembly related to health during the 2016 regular session. The board shall
43 report its final recommendations to the interim committees of the Legislative Assembly, in
44 the manner prescribed by ORS 192.245, no later than September 1, 2016.

45 “SECTION 4. In addition to and not in lieu of any other appropriation, there is appro-

1 **priated to the Oregon Health Authority, for the biennium beginning July 1, 2015, out of the**
2 **General Fund, the amount of \$180,000, which may be expended for carrying out section 3 of**
3 **this 2015 Act.**

4 “**SECTION 5.** ORS 348.570 is amended to read:

5 “348.570. (1) There is established in the State Treasury a fund, separate and distinct from the
6 General Fund, to be known as the Oregon Student Assistance Fund for investment as provided by
7 ORS 293.701 to 293.857 and for the payment of the expenses of the Higher Education Coordinating
8 Commission in carrying out the purposes of ORS 348.210 to 348.250, 348.285, 348.505 to 348.615,
9 348.696 and 348.992. Interest earned by the fund shall be credited to the fund.

10 “(2) There is established in the State Treasury a fund, separate and distinct from the General
11 Fund, to be known as the Alternative Student Loan Program Fund for investment as provided by
12 ORS 293.701 to 293.857 and for the payment of expenses of the commission in carrying out the pur-
13 poses of ORS 348.625 to 348.695. This fund, including the interest earnings on the fund, if any, is
14 continuously appropriated to the commission for those purposes for which such funds were provided
15 to, received or collected by the commission.

16 “[*(3)(a) There is established in the General Fund an account to be known as the Nursing Services*
17 *Account. Funds in the account shall be used for the payment of expenses of the Nursing Services*
18 *Program created in ORS 442.540.*]

19 “[*(b) The account shall consist of:*]

20 “[*(A) Funds appropriated to the commission for deposit into the account;*]

21 “[*(B) Collections and penalties received by the Executive Director of the Office of Student Access*
22 *and Completion under ORS 442.545; and*]

23 “[*(C) Any donations or grants received by the commission for purposes of the Nursing Services*
24 *Program.*]

25 “[*(c) Any funds in the account that are not expended in any biennium shall be retained in the ac-*
26 *count and may be expended in subsequent biennia.*]

27 “[*(4)* (3) There is established in the State Treasury a fund, separate and distinct from the Gen-
28 eral Fund, to be known as the Foster Youth Scholarship Fund. Moneys received from appropriations,
29 donations and grants shall be credited to the fund. Moneys in the fund are continuously appropri-
30 ated to the commission for the purposes of investment, as provided by ORS 293.701 to 293.857, and
31 for carrying out the provisions of ORS 348.270 (1)(b). Interest earned by the fund shall be credited
32 to the fund.

33 “[*(5)* (4) There is established in the State Treasury a fund, separate and distinct from the Gen-
34 eral Fund, to be known as the ASPIRE Program Fund. Moneys received from donations and grants
35 shall be credited to the ASPIRE Program Fund. Moneys in the fund are continuously appropriated
36 to the commission for the purposes of investment, as provided by ORS 293.701 to 293.857, and for
37 carrying out the provisions of ORS 348.500. Interest earned by the fund shall be credited to the fund.

38 “[*(6)(a)* (5)(a) There is established in the State Treasury the Nursing Faculty Loan Repayment
39 Fund, separate and distinct from the General Fund. Interest earned on the Nursing Faculty Loan
40 Repayment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to
41 the commission for carrying out ORS 348.440 to 348.448. The Nursing Faculty Loan Repayment Fund
42 consists of:

43 “[*(A) Moneys appropriated to the commission for the Nursing Faculty Loan Repayment Program*
44 *created in ORS 348.444; and*

45 “[*(B) Grants, gifts or donations received by the commission for the program.*]

1 “(b) Any unexpended funds in the fund at the end of a biennium shall be retained in the fund
2 and may be expended in subsequent biennia.

3 **“SECTION 6.** ORS 677.141 is amended to read:

4 **“677.141.** (1) A physician issued a license under ORS 677.139 is subject to all the provisions of
5 this chapter and to all the rules of the Oregon Medical Board. A physician issued a license under
6 ORS 677.139 has the same duties and responsibilities and is subject to the same penalties and
7 sanctions as any other physician licensed under this chapter.

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

9 **“(a)** Act as a dispensing physician as defined in ORS 677.010;

10 **“(b)** Administer controlled substances for the treatment of intractable pain to a person located
11 within this state;

12 **“(c)** Employ a physician assistant as defined in ORS 677.495 to treat a person located within this
13 state; **or**

14 **“[(d) Participate in the primary care provider loan repayment program created in ORS 413.233;**
15 **or]**

16 **“[(e)] (d)** Assert a lien for services under ORS 87.555.

17 **“(3)** A physician licensed under ORS 677.139 shall comply with all patient confidentiality re-
18 quirements of this state, except as those requirements are expressly prohibited by the law of any
19 other state of the United States where a person’s medical records are maintained.

20 **“SECTION 7.** Section 25, chapter 913, Oregon Laws 2009, as amended by section 10, chapter
21 750, Oregon Laws 2013, is amended to read:

22 **“Sec. 25.** (1) Except as provided in subsection (2) of this section, a credit may not be claimed
23 under ORS 315.613 for tax years beginning on or after January 1, [2016] **2018.**

24 **“(2)** A taxpayer who meets the eligibility requirements in ORS 315.613 for the tax year beginning
25 on or after January 1, [2013] **2017**, and before January 1, [2014] **2018**, shall be allowed the credit
26 under ORS 315.613 for any tax year:

27 **“(a)** That begins on or before January 1, [2023] **2027**; and

28 **“(b)** For which the taxpayer meets the eligibility requirements of ORS 315.613.

29 **“SECTION 8.** ORS 413.018, 442.535, 442.540 and 442.545 are repealed.

30 **“SECTION 9.** ORS 348.303, 413.127, 413.233, 442.573, 442.574, 676.550, 676.552, 676.554 and
31 **676.556 are repealed.**

32 **“SECTION 10.** Section 3 of this 2015 Act is repealed on January 2, 2017.

33 **“SECTION 11.** Sections 1, 2 and 13 of this 2015 Act and the amendments to ORS 677.141
34 **by section 6 of this 2015 Act become operative on January 1, 2018.**

35 **“SECTION 12.** The repeal of ORS 348.303, 413.127, 413.233, 442.573, 442.574, 676.550, 676.552,
36 **676.554 and 676.556 by section 9 of this 2015 Act becomes operative January 2, 2018.**

37 **“SECTION 13.** (1) Service agreements under ORS 442.574 and 348.303 that are in effect
38 **on the operative date of this section shall remain in effect for the term specified in the**
39 **agreement.**

40 **“(2)** Individuals participating in the primary care provider loan repayment program on
41 **the operative date of this section shall continue to participate for the duration of the term**
42 **of the individual’s commitment made pursuant to ORS 413.233.**

43 **“(3)** Nothing in the repeal of ORS 348.303, 413.233 and 442.574 relieves a person of a li-
44 **ability, duty or obligation accruing under or with respect to ORS 348.303, 413.233 and 442.574.**
45 **Payments made by participants to discharge an obligation arising under ORS 348.303 (6) or**

1 (7), 413.233 (2)(e) or 442.574 shall be deposited to the Health Care Provider Incentive Fund
2 established in section 1 of this 2015 Act.

3 “(4) The duties, rights and obligations of the Office of Rural Health under ORS 442.574
4 are transferred to the Oregon Health Authority.

5 “(5) Any unexpended balances of moneys in the Primary Health Care Loan Forgiveness
6 Program Fund are transferred to the Health Care Provider Incentive Fund established under
7 section 1 of this 2015 Act and shall be used by the Oregon Health Authority to carry out
8 section 2 of this 2015 Act and to administer the service agreements entered into pursuant
9 to ORS 442.574 that remain in effect under subsection (1) of this section.

10 “SECTION 14. The Office of Rural Health and the Oregon Health Authority shall take any
11 actions before January 1, 2018, that are necessary in order to carry out the provisions of
12 section 13 of this 2015 Act on and after January 1, 2018.

13 “SECTION 15. This 2015 Act being necessary for the immediate preservation of the public
14 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
15 on its passage.”.

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