

Chair Greenlick and Members of the Committee,

My name is David Pollack. I am Professor for Public Policy in several departments at OHSU, Psychiatry, Family Medicine, Public Health & Preventive Medicine, and the Division of Management. I serve on two state committees, the Values-based Benefits Subcommittee of the HERC and the Health Policy Board's Health Care Workforce Committee, for which I currently am the chair. I am testifying today from the perspective of that Workforce Committee, which is one of two committees established in statute when the Oregon Health Policy Board was created in 2009. Our charge is to coordinate efforts to recruit and educate health care professionals and retain a quality workforce. You, the legislature, have said that this work is necessary if Oregon is to meet the demand created by the expansion in health care coverage, system transformation and an increasingly diverse population, and to do so in ways that are consistent with the Triple, now Quadruple Aim.

Our Committee includes leaders from the many health professional disciplines, health care payers, provider organizations, academic and training programs, community representatives, and traditional health care workers.

Since its inception in 2010, the Committee has reviewed projections of provider demand in Oregon in response to an expansion of health care coverage, developed recommendations that removed barriers for new training programs to respond to changes in the market, and identified skills and competencies that are needed for the future health care system. One of our major projects was the development of a Strategic Plan for Primary Care Recruitment and Retention as a result of House Bill 2366 introduced by Representative Nathanson. The plan we developed had three basic strategies to help grow the primary care workforce in Oregon: *Grow our Own*, *Attract from Outside*, and *Empower Our Communities* to better recruit and retain the primary care workforce they need.

During this time we also identified the need for more Graduate Medical Education in Oregon, and, in part due to our efforts, the Graduate Medical Education Consortium was established. Our Committee Vice-Chair, Dr. Robyn Dreibelbis of COMP-NW, the osteopathic medical school in Lebanon, also serves on the Consortium.

For several years, our Committee has been worked to understand and maximize the various state- and federally-funded provider incentives designed to attract and retain needed health providers in areas of the state and for populations where they are most needed.

In 2013 the Committee completed an analysis of the incentive programs available to health care providers in Oregon, and completed a thorough review and assessment of these programs in 2016.

With regard to the bills that are the focus of today's hearing:

HB 2373: There is clearly a need for more pharmacists in rural Oregon. HB 2373, which would expand the provisions of the rural medical provider tax credit to include pharmacist services could play a role in supporting that goal. Interestingly, our report on the effectiveness of the incentive programs found that the tax credit did not play a substantial role in recruitment of providers to rural Oregon, but that it did have a positive impact on retention of providers in rural areas once they elect to come. During the Listening Sessions we held around the state, many providers spoke about the high debt burden they face and that the tax credit helps to ease the burden of that debt. The only problem would be the fiscal impact. If this bill or similar legislation is adopted, the inclusion of this class of

providers should not create unintended consequences of reducing access to the tax credit for other provider disciplines, nor should the funding increase be obtained by reducing other essential health services.

HB 2751: This legislation does two things: It expressly includes Occupational Therapists in the pool of providers eligible to receive funds under Oregon's Primary Care Loan Repayment Program. It also extends that loan repayment program in statute to 2020, as opposed to letting the program sunset this year as it is scheduled to do. The history of the current version of the primary care loan repayment program is that it was "repurposed" by the legislature in 2013, under the leadership of Senator Steiner Hayward, to help ensure that Oregon had an adequate health care workforce to provide services to the newly eligible Medicaid Population.

This program has been operating since 2014 under the oversight of the Health Authority, with the Office of Rural Health providing administrative support by contract. With funding of \$6 million from the legislature, the Authority has made 66 loan repayment awards to primary care, dental, and behavioral health clinicians in rural and non-rural communities. The first cohort of providers will complete their service commitments at the end of this month, and they plan to remain in their practices after the obligation ends. This program has been highly successful, from a retention perspective and in how smoothly and effectively the partnership between OHA and the Office of Rural Health has functioned.

Adding Occupational Therapists to this program may be valuable for that discipline, but without additional funding, my concern would be that those who were initially intended to be able to benefit may not. More than 500 clinicians applied for loan repayment under this program, and only 66 were able to receive awards due to funding limitations. Adding additional clinical disciplines without commensurate funding will simply increase the pool of applicants to compete for a small number of awards.

I also am concerned about not allowing this program to sunset as scheduled this year. The Workforce Committee is preparing to work with the Office of Rural Health, the Oregon Health Authority and others to develop the new Health Care Provider Incentive Fund that should begin next year. This incentive fund is a "superfund" allowing us to target money to where it can be best used across the state. Maintaining the currently siloed programs, such as the loan repayment program, in their existing form would work at cross purposes to this new program's intent. We would instead invite all groups to join us as we develop a better, and more collaborative system of incentives that you, the legislature, have already said you preferred. HB 3261, sponsored by Rep. Nathanson, Sen. Steiner Hayward, and Sen. Monnes-Anderson, moves us forward in this direction.

HB 2524: The Workforce Committee absolutely agrees that adding Graduate Medical Education (GME) training slots targeted to critical practice areas, including family medicine and psychiatry, is an important strategy to build the health care workforce we need in Oregon. We are excited to hear of our first new residency program being initiated at Mercy Medical Center in Roseburg. If loans to hospitals will contribute to more GME in Oregon, we are happy to support this concept. At our last Committee meeting, we heard a report from the Director of the GME Consortium and are pleased with progress being made.

My main concerns about this bill have to do with the funding mechanism. After speaking with a number of academic leaders at OHSU, it is clear that they do not support the idea of loans that would require repayment as opposed to some source of funding, as appears to be the mechanism in another bill, HB 3085, which would derive funds from the OHA would

assess from various health plans and payers in the state. This mechanism would provide a more robust, feasible, and sustainable source of funding for strategically expanding and improving the health care workforce, entirely consistent with the programmatic aims of of HB 2524.

We recognize that there are substantial challenges facing legislators when it comes to the General Fund and how to pay for everything. We ask that you keep in mind the importance of funding these health care provider incentives—whatever they are—at levels that adequate to achieve a more fully functioning and sufficient health care workforce.

The Health Policy Board provided the Committee with our new Charter last week. Over the next two years, we have been charged to work with educational institutions and leaders in various health professions to identify and develop the essential competencies within the health care disciplines, to compile and recommend promising strategies for increasing the diversity of the health care workforce, and to help re-align Oregon's various provider incentives into a more effective and easily navigated system to place health care providers in the areas where they are most needed. We look forward to being a resource to you as we all move forward.

Thank you for your consideration.

