

HB 3261 B STAFF MEASURE SUMMARY**Carrier:** Rep. Nathanson**Joint Committee On Ways and Means****Action Date:** 06/29/17**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**House Vote****Yeas:** 11 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson**Senate Vote****Yeas:** 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Kim To, Fiscal Administrative Supervisor**WHAT THE MEASURE DOES:**

Requires Oregon Health Policy Board (OHPB) within the Oregon Health Authority (OHA), in collaboration with the Oregon Health and Science University (OHSU) and the Office of Rural Health, to assess the health care workforce needs in Oregon, and evaluate the effectiveness of provider incentive programs. OHPB and OHA are required to report to the Legislature by February 1st in each odd-numbered year. The bill requires that OHA enter into an agreement with OHSU to administer provider incentive programs. Specifies distribution of moneys in the Health Care Provider Incentive Fund. The bill is effective on the 91st day after the date on which the 2017 Legislative Assembly adjourns sine die.

ISSUES DISCUSSED:

- Fiscal impact
- 2017-19 biennium allocations

EFFECT OF AMENDMENT:

Replaces requirement for Oregon Health Policy Board to develop uniform application for all health care provider financial incentive programs and collect information from participants in programs with directions for Oregon Health Policy Board to evaluate the effectiveness of provider incentive programs.

BACKGROUND:

Oregon has provided a variety of financial incentives to help recruit providers to rural and other underserved areas. Loan forgiveness or repayment programs, tax credits focused on rural health care providers, and subsidies for malpractice insurance all positively impact efforts to recruit or retain health care providers in underserved communities. The next step to increase the effectiveness and efficiency of these incentive is to create a more holistic approach to these efforts. HB 3396, passed by the Oregon Legislature in 2015, repealed the authorizing statutes and funds for most of Oregon's existing health care provider incentive programs, and created a new Health Care Provider Incentive Fund to be administered by the Oregon Health Authority. In response to the requirements of the bill, the Board directed the Committee to study and report on the efficacy of Oregon's provider incentives and recommendations on improvements to the current incentives. Building on this work which recognized that flexibility in program design and implementation is needed to ensure communities can tailor state incentives to meet their individual provider needs and better and more data can help evaluate and direct incentives moving forward, HB 3391 allows the Oregon Health Policy Board to continue its work in enhancing data collection for all incentive programs, and making recommendations to restructure programs for greater effectiveness and efficacy.