

House Bill 2524

Sponsored by Representative BUEHLER (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Oregon Health Authority to administer program to provide loans to hospitals for establishing new primary care residency programs.

Modifies cost-sharing program to train residency physicians and interns, transfers administration of program from Office of Student Access and Completion to Oregon Health Authority and extends program sunset to July 1, 2019.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to increasing the number of physicians in Oregon; creating new provisions; amending ORS
3 348.350 and sections 2 and 3, chapter 513, Oregon Laws 2015; repealing ORS 348.350; and de-
4 claring an emergency.

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

6 **SECTION 1. (1) The Oregon Health Authority shall administer a program to provide loans**
7 **to hospitals, of up to \$3 million, for making capital expenditures to establish new primary**
8 **care residency programs that are sponsored by accredited medical schools or osteopathic**
9 **post-graduate training institutions.**

10 **(2) The authority shall adopt rules establishing eligibility criteria for obtaining loans,**
11 **application procedures, repayment requirements, interest or other charges and procedures**
12 **in case of default. Loans must be repaid within a 10-year period.**

13 **(3) Loans shall be paid out of funds transferred to the authority from the Administrative**
14 **Services Economic Development Fund in section 2 of this 2017 Act.**

15 **SECTION 2. There is allocated for the biennium beginning July 1, 2017, from the Admin-**
16 **istrative Services Economic Development Fund, to the Oregon Health Authority, the amount**
17 **of \$50 million for providing loans to the program described in section 1 of this 2017 Act.**

18 **SECTION 3. ORS 348.350 is amended to read:**

19 348.350. (1) The [*Executive*] Director of the [*Office of Student Access and Completion*] **Oregon**
20 **Health Authority** is authorized to establish and administer a cost-sharing program to train [*intern*
21 *and*] residency physicians as may be arranged by contract with [*an*] accredited training [*hospital*]
22 **hospitals** within this state. The cost sharing shall be limited to [*general practice internships and*]
23 **the start-up costs for family practice and psychiatry residencies that are sponsored by ac-**
24 **credited medical schools or osteopathic post-graduate training institutions.** The [*commission*]
25 **Oregon Health Authority** may pay up to [*\$18,000*] **\$25,000** to an institution for each intern or res-
26 **ident position [*which*] that is reserved for training students who are planning to enter medical**
27 **practice in rural areas. An institution may not receive more than \$200,000 annually under this**
28 **program.**

29 (2) Funds for programs established under subsection (1) of this section shall be paid from the

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 [Rural Medical Education Loan Fund.]

2 [(3) No money appropriated under this section shall be used for any program at the Oregon Health
3 and Science University. The center] **Oregon Health Authority Fund and may not be used for any**
4 **program located in a city with a population exceeding 400,000. The authority** shall be required
5 to give priority admissions to recipients under ORS 348.310 to 348.390 in its family practice resi-
6 dency programs.

7 **SECTION 4. In addition to and not in lieu of any other appropriation, there is appropri-**
8 **ated to the Oregon Health Authority Fund established under ORS 413.101, for the biennium**
9 **beginning July 1, 2017, out of the General Fund, the amount of \$_____ for the purpose**
10 **of operating the cost-sharing program set forth in ORS 348.350, as amended by section 3 of**
11 **this 2017 Act.**

12 **SECTION 5. ORS 348.350 is added to and made a part of ORS chapter 413.**

13 **SECTION 6.** Section 2, chapter 513, Oregon Laws 2015, is amended to read:

14 **Sec. 2.** ORS 348.310, 348.320, 348.330, 348.340, [348.350,] 348.360, 348.370 and 348.390 are re-
15 pealed.

16 **SECTION 7.** Section 3, chapter 513, Oregon Laws 2015, is amended to read:

17 **Sec. 3.** The repeal of ORS 348.310, 348.320, 348.330, 348.340, [348.350,] 348.360, 348.370 and
18 348.390 by section 2 [of this 2015], **chapter 513, Oregon Laws 2015, Act becomes operative on July**
19 **1, 2017.**

20 **SECTION 8. ORS 348.350 is repealed on July 1, 2019.**

21 **SECTION 9. If this 2017 Act does not become effective until after July 1, 2017, the**
22 **amendments to sections 2 and 3, chapter 513, Oregon Laws 2015, by sections 6 and 7 of this**
23 **2017 Act revive ORS 348.350. If this 2017 Act does not become effective until after July 1,**
24 **2017, this 2017 Act shall be operative retroactively to that date, and the operation and effect**
25 **of ORS 348.350 shall continue unaffected from July 1, 2017, to the effective date of this 2017**
26 **Act and thereafter. Any otherwise lawful action taken or otherwise lawful obligation in-**
27 **curring under the authority of ORS 348.350 after July 1, 2017, and before the effective date**
28 **of this 2017 Act, is ratified and approved.**

29 **SECTION 10.** This 2017 Act being necessary for the immediate preservation of the public
30 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect
31 on its passage.

32