

HOUSE AMENDMENTS TO HOUSE BILL 3261

By COMMITTEE ON HEALTH CARE

April 24

- 1 On page 1 of the printed bill, line 2, delete “315.616.”.
- 2 In line 3, after “442.570” delete the rest of the line and insert “, 676.450 and 676.460 and sections
3 9, 12 and 13, chapter 829, Oregon Laws 2015; repealing ORS 315.616, 315.619, 442.561, 442.562 and
4 442.564;”.
- 5 In line 10, delete “and”.
- 6 In line 11, delete the period and insert “; and
7 “(e) Primary Health Care Loan Forgiveness Program created under ORS 442.574.”.
- 8 In line 12, delete “Authority” and insert “Policy Board”.
- 9 In line 24, delete “authority” and insert “board”.
- 10 In line 26, after the first “The” insert “month and”.
- 11 In line 28, delete “size of practice” and insert “hours of direct patient care”.
- 12 On page 2, line 2, delete “authority” and insert “board”.
- 13 In line 4, delete “authority” and insert “board”.
- 14 In line 7, delete “authority” and insert “board”.
- 15 In line 9, delete “three” and insert “two”.
- 16 Delete lines 10 through 45 and delete page 3.
- 17 On page 4, delete lines 1 through 16 and insert:
18 “**SECTION 2.** ORS 315.613, as amended by section 1, chapter 29, Oregon Laws 2016, is amended
19 to read:
20 “315.613. [(1) A resident or nonresident individual certified as eligible under ORS 442.563, licensed
21 under ORS chapter 677, who is engaged in the practice of medicine, and who is engaged for at least
22 20 hours per week, averaged over the month, during the tax year in a rural practice, shall be allowed
23 an annual credit against taxes otherwise due under ORS chapter 316.]
24 “[(2) The amount of credit allowed shall be based on the distance from a major population center
25 in a qualified metropolitan statistical area at which the taxpayer maintains a practice or hospital
26 membership:]
27 “[(a) If at least 10 miles but fewer than 20 miles, \$3,000.]
28 “[(b) If at least 20 miles but fewer than 50 miles, \$4,000.]
29 “[(c) If 50 or more miles, \$5,000.]
30 “[(3) The credit shall be allowed during the time in which the individual retains such practice and
31 membership if the individual is actively practicing in and is a member of the medical staff of one of the
32 following hospitals:]
33 “[(a) A type A hospital designated as such by the Office of Rural Health;]
34 “[(b) A type B hospital designated as such by the Office of Rural Health if the hospital is:]
35 “[A) Not within the boundaries of a metropolitan statistical area;]

1 “(B) Located 30 or more miles from the closest hospital within the major population center in a
2 metropolitan statistical area; or]

3 “[(C) Located in a county with a population of less than 75,000;]

4 “[(c) A type C rural hospital, if the Office of Rural Health makes the findings required by ORS
5 315.619;]

6 “[(d) A rural hospital that was designated a rural referral center by the federal government before
7 January 1, 1989, and that serves a community with a population of at least 14,000 but not more than
8 19,000; or]

9 “[(e) A rural critical access hospital.]

10 “[(4) In order to claim the credit allowed under this section, the individual must remain willing
11 during the tax year to serve patients with Medicare coverage and patients receiving medical assistance
12 in at least the same proportion to the individual’s total number of patients as the Medicare and medical
13 assistance populations represent of the total number of persons determined by the Office of Rural
14 Health to be in need of care in the county served by the practice, not to exceed 20 percent Medicare
15 patients or 15 percent medical assistance patients.]

16 **“(1) As used in this section, ‘qualified metropolitan statistical area’ means only those
17 counties of a metropolitan statistical area that are located in Oregon if the largest city
18 within the metropolitan statistical area is located in Oregon.**

19 **“(2) A resident or nonresident individual certified as eligible under ORS 442.563 shall be
20 allowed an annual credit against taxes otherwise due under ORS chapter 316 if the individual
21 is:**

22 **“(a) Licensed as a physician under ORS chapter 677, licensed as a physician assistant
23 under ORS chapter 677, licensed as a nurse practitioner under ORS chapter 678, licensed as
24 a certified registered nurse anesthetist under ORS chapter 678, licensed as a dentist under
25 ORS chapter 679, licensed as an optometrist under ORS 683.010 to 683.340 or licensed or
26 certified as a mental health services provider, as prescribed by the Office of Rural Health;
27 and**

28 **“(b) Engaged in an active practice for an average of at least 20 hours per week each
29 month during the tax year in a geographic area described in subsection (3) of this section.**

30 **“(3) The amount of the credit shall be based on the location where the individual main-
31 tains an active practice. If the individual’s active practice is located:**

32 **“(a) At least 20 miles but less than 50 miles from a major population center in a qualified
33 metropolitan statistical area, the credit is \$4,000.**

34 **“(b) At least 50 miles from a major population center in a qualified metropolitan statis-
35 tical area and in a county with a population density of greater than six persons per square
36 mile, the credit is \$5,000.**

37 **“(c) In a county with a population density of six or fewer persons per square mile, the
38 credit is \$7,000.**

39 **“(4) A resident or nonresident individual who is eligible for a tax credit under subsections
40 (2) and (3) of this section shall be paid an additional tax credit of \$1,000 if the individual is
41 certified as a preceptor who supervises students, interns or residents in health professional
42 training programs under criteria adopted by rule by the office based on the recommendations
43 of the Oregon Health Policy Board.**

44 **“(5) To claim the credit allowed under this section, the individual must remain willing,
45 during the tax year, to serve patients receiving medical assistance and, if within the**

1 individual's scope of practice, patients enrolled in Medicare as a percentage of the
2 individual's total number of patients that is at least equal to the lesser of:

3 “(a) The percentage of individuals determined by the office to be in need of care in the
4 county who are receiving medical assistance or, if applicable, Medicare coverage; or

5 “(b)(A) 20 percent of Medicare enrollees, if applicable; and

6 “(B) 15 percent medical assistance recipients.

7 “[5] (6) A nonresident individual shall be allowed the credit under this section in the propor-
8 tion provided in ORS 316.117. If a change in the status of a taxpayer from resident to nonresident
9 or from nonresident to resident occurs, the credit allowed by this section shall be determined in a
10 manner consistent with ORS 316.117.

11 “[6] (7) For purposes of this section, an [*individual's practice*] **individual's active practice**
12 shall be determined on the basis of actual time spent in practice each week in hours or days,
13 whichever is considered by the Office of Rural Health to be more appropriate. In the case of a
14 shareholder of a corporation or a member of a partnership, only the time of the individual share-
15 holder or partner shall be considered and the full amount of the credit shall be allowed to each
16 shareholder or partner who qualifies in an individual capacity.

17 “[7] *As used in this section:*]

18 “[a] *‘Qualified metropolitan statistical area’ means only those counties of a metropolitan statistical*
19 *area that are located in Oregon if the largest city within the metropolitan statistical area is located in*
20 *Oregon.*]

21 “[b] *‘Rural critical access hospital’ means a facility that meets the criteria set forth in 42 U.S.C.*
22 *1395i-4 (c)(2)(B) and that has been designated a critical access hospital by the Office of Rural Health*
23 *and the Oregon Health Authority.*]

24 “[c] *‘Type A hospital,’ ‘type B hospital’ and ‘type C hospital’ have the meaning for those terms*
25 *provided in ORS 442.470.*”]

26 In line 17, delete “4” and insert “3”.

27 In line 18, delete “Authority” and insert “Policy Board”.

28 In line 21, delete “authority” and insert “board”.

29 In line 33, after the semicolon insert “and”.

30 Delete lines 34 through 37.

31 In line 38, delete “(E)” and insert “(D)”.

32 In line 42, after “funds” delete the rest of the line.

33 In line 43, delete “the Health Care Workforce Committee”.

34 On page 5, delete lines 7 through 12 and insert:

35 “(B)(i) Serve low income, uninsured residents; and

36 “(ii) Serve patients enrolled in Medicare and the state medical assistance program in at least
37 the same proportion to the provider's total number of patients as the Medicare and medical assist-
38 ance patient populations represent in relation to the total number of persons determined by the
39 Office of Rural Health to be in need of health care in the area served by the practice.

40 “(3) The board may use funds allocated to the program from the Health Care Provider”.

41 In line 15, delete “authority” and insert “board”.

42 In line 17, delete “authority” and insert “board”.

43 In line 21, delete “5” and insert “4”.

44 In line 34, delete “and the Oregon Health Authority”.

45 In line 45, delete “6” and insert “5”.

1 On page 7, line 32, delete “7” and insert “6”.

2 On page 8, line 13, delete “8” and insert “7”.

3 On page 9, line 31, delete “9” and insert “8”.

4 On page 11, line 4, delete “10” and insert “9”.

5 Delete lines 10 through 15 and insert:

6 “**SECTION 10.** ORS 442.563 is amended to read:

7 “442.563. (1) The Office of Rural Health shall establish criteria for certifying individuals eligible
8 for the tax credit authorized by ORS 315.613[, 315.616 or 315.619]. Upon application therefor, the
9 office shall certify individuals eligible for the tax credit authorized by ORS 315.613.

10 “(2) The classification of rural hospitals for purposes of determining eligibility under this section
11 shall be the classification of the hospital in effect on January 1, 1991.”

12 In line 16, delete “12” and insert “11”.

13 In line 21, delete “315.616,”.

14 Delete lines 29 through 34 and insert:

15 “**SECTION 12.** ORS 676.450 is amended to read:

16 “676.450. The Health Care Provider Incentive Fund is established in the State Treasury, sepa-
17 rate and distinct from the General Fund. Interest earned by the Health Care Provider Incentive
18 Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon
19 Health [Authority] **Policy Board** to carry out ORS 676.460.

20 “**SECTION 13.** Section 13, chapter 829, Oregon Laws 2015, is amended to read:

21 “**Sec. 13.** (1) Service agreements under ORS 442.574 [*and 348.303*] that are in effect on [*the op-*
22 *erative date of this section*] **January 1, 2018**, shall remain in effect for the term specified in the
23 agreement.

24 “(2) Individuals participating in the primary care provider loan repayment program on [*the op-*
25 *erative date of this section*] **January 1, 2018**, shall continue to participate for the duration of the
26 term of the individual’s commitment made pursuant to ORS 413.233.

27 “(3) Nothing in the repeal of ORS [*348.303,*] 413.233 and 442.574 relieves a person of a liability,
28 duty or obligation accruing under or with respect to ORS [*348.303,*] 413.233 and 442.574. Payments
29 made by participants to discharge an obligation arising under ORS [*348.303 (6) or (7),*] 413.233 (2)(e)
30 or 442.574 shall be deposited to the Health Care Provider Incentive Fund established [*in section 1*
31 *of this 2015 Act*] **under ORS 676.450.**

32 “(4) The duties, rights and obligations of the Office of Rural Health under ORS 442.574 are
33 transferred to the Oregon Health [Authority] **Policy Board.**

34 “(5) Any unexpended balances of moneys in the Primary Health Care Loan Forgiveness Program
35 Fund are transferred to the Health Care Provider Incentive Fund established under [*section 1 of this*
36 *2015 Act*] **ORS 676.450** and shall be used by the Oregon Health [Authority] **Policy Board** to carry
37 out [*section 2 of this 2015 Act*] **ORS 676.460** and to administer the service agreements entered into
38 pursuant to ORS 442.574 that remain in effect under subsection (1) of this section.

39 “**SECTION 14.** Section 9, chapter 829, Oregon Laws 2015, is amended to read:

40 “**Sec. 9.** ORS [*348.303,*] 413.127, 413.233, 442.573, 442.574, 676.550, 676.552, 676.554 and 676.556
41 are repealed.

42 “**SECTION 15.** Section 12, chapter 829, Oregon Laws 2015, is amended to read:

43 “**Sec. 12.** The repeal of ORS [*348.303,*] 413.127, 413.233, 442.573, 442.574, 676.550, 676.552, 676.554
44 and 676.556 by section 9, [*of this 2015 Act*] **chapter 829, Oregon Laws 2015**, becomes operative
45 January 2, 2018.

1 “**SECTION 16.** Section 1 of this 2017 Act is amended to read:

2 “**Sec. 1.** (1) As used in this section, ‘financial incentive programs’ includes but is not limited to

3 the:

4 “(a) Rural health care provider tax credit available under ORS 315.613;

5 “(b) Health care provider incentive program created by ORS 676.460; **and**

6 “[(c) *Rural medical practitioners insurance subsidy program under ORS 676.550;*]

7 “[(d)] (c) Scholars for a Healthy Oregon Initiative created under ORS 348.303[; *and*]

8 “[(e) *Primary Health Care Loan Forgiveness Program created under ORS 442.574*].

9 “(2) The Oregon Health Policy Board, in collaboration with the Office of Rural Health, shall:

10 “(a) Develop a uniform application form for all financial incentive programs and, if allowable,

11 federally administered health care provider incentive programs offered in this state; and

12 “(b) Maintain a website with information about all financial incentive programs and federally

13 administered health care provider incentive programs offered in this state, including, for each pro-

14 gram:

15 “(A) Eligibility requirements;

16 “(B) Application procedures; and

17 “(C) Contact information.

18 “(3) In order to evaluate the effectiveness of state financial incentive programs in recruiting

19 providers to practice in rural and medically underserved areas and retaining providers in rural and

20 medically underserved areas, the board shall collect information about financial incentive program

21 participants, which may include:

22 “(a) The month and year of entry into the program;

23 “(b) The locations of service and duration of service in each location;

24 “(c) The main services provided, discipline, specialty and hours of direct patient care;

25 “(d) The percentage of services provided through telemedicine; and

26 “(e) Other demographic information that the board and the Office of Rural Health determine to

27 be useful in the evaluation.

28 “(4) To collect the data described in subsection (3) of this section, the board shall use unique

29 provider identifiers and link the identifiers to the provider data reported under ORS 442.466.

30 “(5) The board shall compile and analyze the data collected under this section and report its

31 findings and analysis to the interim committees of the Legislative Assembly related to health every

32 two years, beginning no later than September 15, 2018.

33 “**SECTION 17. ORS 315.616, 315.619, 442.561, 442.562 and 442.564 are repealed.**

34 “**SECTION 18. The amendments to ORS 315.613 by section 2 of this 2017 Act and the re-**

35 **peal of ORS 315.616, 315.619, 442.561, 442.562 and 442.564 by section 17 of this 2017 Act apply**

36 **to tax years beginning on or after January 1, 2017.**

37 “**SECTION 19. The amendments to section 1 of this 2017 Act by section 16 of this 2017**

38 **Act become operative on January 2, 2018.**

39 “**SECTION 20. This 2017 Act takes effect on the 91st day after the date on which the 2017**

40 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.”.**

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