

House Bill 3011

Sponsored by Representative SPRENGER; Representatives SCHOUTEN, STARK

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**.

Includes students admitted to health care program at private or public institution of higher education in this state other than Oregon Health and Science University in Scholars for a Healthy Oregon Initiative program.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to health care provider incentives; creating new provisions; amending ORS 348.303, 676.454
3 and 676.467; and prescribing an effective date.

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

5 **SECTION 1.** ORS 348.303 is amended to read:

6 348.303. (1) As used in this section:

7 (a) "Designated service site" means a rural health clinic as defined in 42 U.S.C. 1395x(aa)(2), a
8 rural critical access hospital as defined in ORS 442.470, a federally qualified health center as defined
9 in 42 U.S.C. 1396d(l)(2) or any geographic area, population group or facility that is located in Oregon
10 and has been designated by the Health Resources and Services Administration of the United States
11 Department of Health and Human Services as a health professional shortage area, a medically
12 underserved area or a medically underserved population.

13 (b) "Health care practitioner" means a:

14 (A) Physician licensed under ORS chapter 677;

15 (B) Dentist licensed under ORS chapter 679;

16 (C) Nurse practitioner licensed under ORS 678.375 to 678.390;

17 (D) Physician assistant licensed under ORS 677.505 to 677.525; or

18 (E) Certified registered nurse anesthetist licensed under ORS chapter 678.

19 (c) "**Institution of higher education**" has the meaning given that term in ORS 348.582.

20 [(c)] (d) "Participant" means a person who has been selected by the Oregon Health and Science
21 University to receive a scholarship under subsection (5) of this section.

22 [(d)] (e) "Prospective health care practitioner" means a person who has been accepted into, but
23 has not yet started, a health care program at [*the Oregon Health and Science University*] **a private**
24 **or public institution of higher education** that meets the educational requirements for licensure
25 as a physician, dentist, nurse practitioner, physician assistant or certified registered nurse
26 anesthetist.

27 [(e)] (f) "Service agreement" means the agreement executed by a prospective health care prac-
28 titioner under subsection (3) of this section.

29 (2) There is created the Scholars for a Healthy Oregon Initiative, to be administered by the
30 Oregon Health and Science University pursuant to rules adopted by the university.

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 (3) A prospective health care practitioner who wishes to participate in the initiative shall submit
2 an application to the Oregon Health and Science University in accordance with rules adopted by the
3 university. To be eligible to be a participant in the initiative, a prospective health care practitioner
4 must:

5 (a) Have been accepted into, but not yet started, the first year of the prospective health care
6 practitioner's health care education at [*the Oregon Health and Science University*] **a private or**
7 **public institution of higher education;**

8 (b) Be considered a resident of Oregon under the university's admission guidelines or qualify as
9 a student exempted from paying nonresident tuition under ORS 352.287;

10 (c) Execute a service agreement stating that:

11 (A) Immediately upon the prospective health care practitioner's completion of the health care
12 education degree, residency or training, as established for each degree by the Oregon Health and
13 Science University by rule, the participant will practice as a health care practitioner in a designated
14 service site in this state approved by the university for one year longer than the number of years
15 the participant spent in the health care program for which the participant received a scholarship;
16 and

17 (B) While practicing as a health care practitioner in a designated service site, the participant
18 must see all patients, regardless of any patient's ability to pay for services; and

19 (d) Meet other requirements established by the university by rule.

20 (4) The Oregon Health and Science University may select participants from among the pro-
21 spective health care practitioners who submit applications as provided in subsection (3) of this sec-
22 tion. The university shall give preference to prospective health care practitioners who are:

23 (a) Individuals admitted to [*the Oregon Health and Science University*] **a private or public in-**
24 **stitution of higher education** as a student from rural heritage, as defined by the [*university's*]
25 **institution's** admission policy;

26 (b) First generation college students; or

27 (c) Individuals from a diverse or underrepresented community.

28 (5) The Oregon Health and Science University shall provide a scholarship covering the entire
29 cost of tuition and fees for the participant's health care education at the [*university*] **institution.**

30 (6) A participant receiving a scholarship under subsection (5) of this section who fails to com-
31 plete the terms of the service agreement shall repay the amount received plus an additional penalty
32 of 25 percent of the amount received to the Oregon Health and Science University. The total amount
33 to be paid to the university under this subsection shall be reduced for every full year that the par-
34 ticipant complied with the service agreement on a pro rata basis, as computed by the total number
35 of years agreed to in the service agreement.

36 (7) A participant receiving a scholarship under subsection (5) of this section who fails to com-
37 plete the health care degree for which the scholarship was awarded shall repay the amount received
38 to the Oregon Health and Science University.

39 (8) In the event that a participant is required to repay the Oregon Health and Science Univer-
40 sity under subsection (6) or (7) of this section, the university may:

41 (a) Collect any amounts due;

42 (b) Have any amounts due be collected by the Collections Unit in the Department of Revenue
43 under ORS 293.250; or

44 (c) Contract with a collections agency to collect any amounts due.

45 (9) Any moneys received or collected by the Oregon Health and Science University under sub-

1 sections (6) to (8) of this section shall be deposited into a separate fund held by the university for
 2 the purpose of carrying out the provisions of this section. The university may not use the moneys
 3 in these funds for any other purpose.

4 (10) The Oregon Health and Science University may accept funds from any public or private
 5 source for the purposes of carrying out the provisions of this section.

6 (11) Not later than December 1 of each even-numbered year, the Oregon Health and Science
 7 University shall report to the Legislative Assembly on the status of the Scholars for a Healthy
 8 Oregon Initiative. The report shall include, for the previous biennium:

9 (a) The total number of active participants in the initiative; and

10 (b) A breakdown of active participants in the initiative by health care practitioner category.

11 **SECTION 2.** ORS 676.454 is amended to read:

12 676.454. (1) There is created in the Oregon Health Authority a health care provider incentive
 13 program for the purpose of assisting qualified health care providers who commit to serving medical
 14 assistance and Medicare enrollees in rural or medically underserved areas of this state. The au-
 15 thority shall prescribe by rule:

16 (a) Participant eligibility criteria, including the types of qualified health care providers who may
 17 participate in the program;

18 (b) The terms and conditions of participation in the program, including the duration of the term
 19 of any service agreement, which must be at least 12 months;

20 (c) The types of incentives that may be provided, including but not limited to:

21 (A) Loan repayment subsidies;

22 (B) Stipends;

23 (C) Medical malpractice insurance premium subsidies;

24 (D) Scholarships for students in health professional training programs at *[the Oregon Health and*
 25 *Science University]* **private or public institutions of higher education, as defined in ORS 348.582,**
 26 **in this state;**

27 (E) Scholarships for students at institutions of higher education based in this state who are en-
 28 rolled in health professional training programs leading to a doctor of osteopathic medicine or doctor
 29 of dentistry or a license as a nurse practitioner, physician assistant or certified registered nurse
 30 anesthetist, if:

31 (i) The scholarship funds are distributed equitably among schools offering the training programs,
 32 based on the percentage of Oregon students attending those schools; and

33 (ii) The maximum scholarship for each student does not exceed the highest resident tuition rate
 34 at the publicly funded health professional training programs in this state; and

35 (F) Paying the moving expenses of providers not located in rural or medically underserved areas
 36 who commit to relocate to such areas;

37 (d) If the funds allocated to the program from the Health Care Provider Incentive Fund estab-
 38 lished under ORS 676.450 are insufficient to provide assistance to all of the applicants who are eli-
 39 gible to participate in the program, the priority for the distribution of funds; and

40 (e) The financial penalties imposed on an individual who fails to comply with terms and condi-
 41 tions of participation.

42 (2) Eligibility requirements adopted for the program:

43 (a) Must allow providers to qualify for multiple health care provider incentives, to the extent
 44 permitted by federal law.

45 (b) Must allow providers to qualify for an incentive for multiyear periods.

1 (c) Must give preference to applicants willing to:

2 (A) Commit to extended periods of service in rural or medically underserved areas; or

3 (B) Serve patients enrolled in Medicare and the state medical assistance program in at least the
4 same proportion to the provider's total number of patients as the Medicare and medical assistance
5 patient populations represent in relation to the total number of persons determined by the Office
6 of Rural Health to be in need of health care in the area served by the practice.

7 (3) The authority may use funds allocated to the program from the Health Care Provider In-
8 centive Fund to administer or provide funding to a locum tenens program for health care providers
9 practicing in rural areas of this state.

10 (4) The authority may enter into contracts with one or more public or private entities to ad-
11 minister the health care provider incentive program or parts of the program.

12 (5) The authority shall decide no later than September 1 of each academic year the distribution
13 of funds for scholarships that will be provided in the next academic year.

14 (6) The authority may receive gifts, grants or contributions from any source, whether public or
15 private, to carry out the provisions of this section. Moneys received under this subsection shall be
16 deposited in the Health Care Provider Incentive Fund established under ORS 676.450.

17 **SECTION 3.** ORS 676.467 is amended to read:

18 676.467. (1) On the basis of the assessment and the evaluation conducted under ORS 676.459 and
19 676.463, the Oregon Health Policy Board shall determine the best allocation of moneys in the Health
20 Care Provider Incentive Fund established under ORS 676.450 toward providing:

21 (a) Incentives through the health care provider incentive program created by ORS 676.454.

22 (b) Loans or grants to support communities' plans for addressing the unmet health care
23 workforce needs in each community, including but not limited to:

24 (A) Funding start-up costs for new health care professional training programs that:

25 (i) Are designed to expand the racial and ethnic diversity of Oregon's health care workforce;

26 (ii) Are designed to expand the health care workforce in medically underserved areas;

27 (iii) Provide financial incentives to faculty members in health care professional training pro-
28 grams and clinical preceptors;

29 (iv) Ensure that individuals enrolled in the programs are adequately compensated; and

30 (v) Include technical assistance; and

31 (B) Supplementing Medicare funding paid to hospitals for graduate medical education.

32 (2) With respect to the loans and grants provided under subsection (1)(b) of this section, the
33 board shall:

34 (a) Prescribe the process and procedures for communities to apply for loans or grants and for
35 the board to award loans and grants.

36 (b) Establish criteria to ensure that the moneys support community plans that:

37 (A) Include a substantial financial investment by the community, as determined by the board,
38 and may include financial or in-kind support;

39 (B) Are designed to improve the access to health care by medical assistance recipients and
40 Medicare enrollees to the same extent that each plan improves access to health care by the general
41 population of the community; and

42 (C) Are sustainable over the long term.

43 (c) Conduct outreach to communities to solicit ideas and applications for new training programs
44 and other incentive programs.

45 (d) Collaborate with community colleges and public universities in this state.

1 (3) The board shall enter into an agreement with the Oregon Health and Science University to
2 administer this section under the board's direction. **The board and the university may consult**
3 **with other private and public institutions of higher education, as defined in ORS 348.582, in**
4 **this state that offer new health care professional training programs.**

5 **SECTION 4.** (1) The amendments to ORS 348.303, 676.454 and 676.467 by sections 1 to 3
6 of this 2019 Act become operative on January 1, 2020.

7 (2) The Oregon Health Authority, Oregon Health Policy Board and Oregon Health and
8 Science University may take any action before the operative date specified in subsection (1)
9 of this section that is necessary to enable the authority, board and university to exercise,
10 on and after the operative date specified in subsection (1) of this section, all of the duties,
11 functions and powers conferred on the authority, board and university by the amendments
12 to ORS 348.303, 676.454 and 676.467 by sections 1 to 3 of this 2019 Act.

13 **SECTION 5.** This 2019 Act takes effect on the 91st day after the date on which the 2019
14 regular session of the Eightieth Legislative Assembly adjourns sine die.

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