

May 15, 2011

Primary Care Workforce Bills in Ways & Means – HB 2400 & HB 2397

John Saultz, MD told the Education Subcommittee of Ways and Means, “When you have \$200,000+ in debt and very smart students, it is increasingly difficult to convince them to choose rural primary care.” Dr. Saultz, Chairman of the Department of Family Medicine at OHSU, said the fact that OHSU is among the most expensive medical schools has a direct impact on the type of applicants they get.



Lisa Dodson, MD said many rural students are being priced out of the medical school market. Dr. Dodson testified that of the seven graduating students in the Rural Scholars program this year at OHSU, only two are staying in Oregon for their residencies. The other five are going to states that have loan repayment programs. If Oregon had a loan forgiveness program, as proposed in HB 2397, the state would have a mechanism in place to bring those young doctors home.

Paige Clark, MD went to medical school in Kansas on that state’s loan forgiveness program. “I’m privileged that I can return to a community that I love,” she said. She would also have to pay 15 percent interest on her medical school loans if she did not fulfill the five-year obligation.



Scott Ekblad from the Office of Rural Health said Oregon invested about \$4 million over the 19 years it funded the loan repayment program. “For that investment, we received 570 years worth of service to rural Oregon,” he said. “And the economic impact of just one physician in a rural community is quite phenomenal.” HB 2400 asks for \$3.1 million for the loan repayment program in 2011-13.



OHSU medical school student Sarah Williams said, “Finding a loan repayment or loan forgiveness program would allow me and my husband (who is also a medical school student at OHSU) to follow our dreams and provide medical care in a rural community.” Sarah told the committee that she and her husband will have \$500,000 in medical school debt when they graduate.

The Ways and Means Subcommittee asked questions about community support and the debt load for physician assistants and nurse practitioners. Overall, they were very supportive, but at this point the committee chairs have not been given the go ahead to hold a work session on these bills, which is what has to happen for the bills to get funding.

Health Care Transformation – HB 3650

New versions of the 80-page health care Transformation bill come out weekly now. It’s challenging to try to figure out which components of the bill have been transformed and which ones stayed the same.

The latest version:

- Removes the right for managed care organizations to convert their contracts into new CCO contracts.
- Includes a new study on the cost savings of various medical malpractice reforms including a damage cap and coverage under the Oregon Tort Claims Act.
- Eliminates cost-based reimbursement for Type A & B rural hospitals, though we are told that will be corrected in future versions.
- Adds new language on contracting with counties for mental health services.
- Has restrictive language on home health care workers and personal health navigators coming under the Home Care Commission.

Legislators on the Joint Transformation Committee now seem to be less focused on a vision for what a transformed health care system can do and more focused on preventing it from doing what they don’t want. So it feels rushed and cobbled together.

Reportedly, the committee plans to send the bill to Ways and Means on Monday where they can continue to work on details.

Insurance Exchange Gets Stuck – SB 99

The House Health Committee planned to send the Insurance Exchange bill to the floor for a vote. The only issue was an amendment, pushed by OSPIRG and Rep. Mitch Greenlick (D-Portland) to allow the Exchange to negotiate rates. Insurance carriers and business associations like AOI and NFIB oppose the amendment.

After some drama in the committee, the bill was tabled.

In an evenly divide House, one group won’t accept the bill with the amendment; another won’t accept the bill without it. So for now, the bill is stuck.

One option is for Oregon not to do its own Insurance Exchange. If that happens, it would simply take part in the federal insurance exchange that gets developed.

Bronze & Silver Insurance Plans – SB 91

The Bronze plan, required by SB 91, would replace the SEHI plan as the basic benefit plan that all insurers must offer. The bill would require insurers to offer that basic plan to individuals and small groups, both inside and outside the insurance exchange. The bronze plan would include cost sharing so it is equivalent to 60 percent of the essential benefit plan developed by the federal government as part of federal health care reform.

Rocky King from the Oregon Health Authority told the House Health Committee that SB 91 would also require any insurer that wants to participate in the Exchange to offer a silver level plan (cost sharing at 70 percent) “because anyone who receives federal subsidies in the individual market would be purchasing the silver plan,” he said.

SB 91 also allows the development of a catastrophic plan for young adults 18-29, which will only be offered through the Exchange.

The House Health Committee did not take action on the bill.

Revenue Forecast Ticks Up

The state economist says legislators will have an additional \$129 million to spend in 2011-13 biennium. This May Revenue Forecast gives legislators the final numbers they will use to balance the budget for next biennium.

The \$129 million will help Ways and Means avoid some cuts, but legislators and interest groups have already spent the money ten times over in their heads. Everyone has a priority or pet project they think should be funded:

- K-12 wants an additional \$100 million to avoid layoffs and reduce class sizes.
- Human services want the funding to avoid cuts to programs for seniors, children and the disabled.
- State employee unions say the money should be used to sweeten the pot in their collective bargaining agreements that are still being negotiated.
- And the list goes on and on.

Ways and Means says it plans to make final budget decisions this month. They hope to wrap up work on budget bills by June 7.

Ways and Means sets Tight Timeline

Ways and Means Co-chair Sen. Richard Devlin (D-Tualatin) says the full committee hopes to wrap up its budget work by June 7. That fits with Senate President Peter Courtney’s stated goal of completing the session by June 18.

A June 7 target for Ways and Means means agency budgets and policy bills that cost money need to be dealt with within the next three weeks. The pressure is on.

Cultural Competency Training passes House Committee – SB 97

“Licensing boards don’t have the time or expertise to do this,” Sen. Laurie Monnes Anderson (D-Gresham) told the House Health Committee. “It’s not a mandate to implement any rules and it does not require continuing education on cultural competency but it will allow health care providers who want this information to receive it.”

The bill requires the Oregon Health Authority to develop standards for continuing education in cultural competence and offer it to the state’s health care providers.

Tricia Tillman, administrator at the Office of Multicultural Health, said the bill could save money by reducing misunderstandings that harm patients.

The committee sent the bill to the House floor.

Birth Outcomes – HB 3311

Rep. Tina Kotek (D-Portland) and Rep. Lew Frederick (D-Portland) told the Senate Health Committee that HB 3311 would make sure doulas and community health workers are more available to pregnant women, especially those in higher risk populations. Rep. Kotek says the bill, “Asks the OHA to look at how we can include community health workers and doulas to improve birth outcomes where there is a disproportionate rate of poor birth outcomes.” She described HB 3311 as “a very simple bill that says we need to look at this.”

Tricia Tillman, Administrator of the Office of Multicultural Health testified, “Historically communities of color, particularly African American and Native American communities, have a disproportionately high rate of poor birth outcomes compared to white Oregonians.”

The Senate Health Committee held the bill over to try to reach consensus before taking a vote. While Sen. Alan Bates (D-Ashland) said, “good bill, should pass,” Sen. Jeff Kruse (R-Medford) said he couldn’t support the bill because it creates Community Health Workers without describing their training or qualifications.

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