

SB 143 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 3/22, 3/29

WHAT THE MEASURE DOES:

Extends sunset for rural medical tax credit.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

- Tax credit review process
- Use of credit as recruiting tool
- Number of providers using credit

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 438 (1989) created the Rural Practitioner Tax Credit for certified registered nurse anesthetists, dentist, doctors of medicine, doctors of osteopathic medicine, nurse practitioners, optometrists, physician assistants, and podiatrists. In order to be eligible, the practitioner must be licensed in Oregon and a member of the medical staff staff with a eligible rural hospital. There are three tiers of tax credit ranging from \$3,000 to \$5,000 depending on the location of the practice site. Eligible providers include physicians, physician assistants, nurse practitioners, certified registered nurse anesthetists, podiatrists, dentists, and optometrists. The requirements for eligibility vary by type of provider. To receive the credit, the provider must work a minimum of 20 hours per week, averaged over the month, in a qualifying rural area. They must also be willing to serve a Medicare and medical assistance base equal to their county's population of such patients up to 20 percent for Medicare and 15 percent for medical assistance patients. From 2016 through 2018, an average 1,600-1,800 providers claimed the annual tax credit.

Senate Bill 143 extends the sunset for the Rural Practitioner Tax Credit to 2028.