HB 2365   STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Prepared By:	Alexandra Kihn-Stang, LPRO Analyst
Sub-Referral To:	House Committee On Revenue
Meeting Dates:	1/30

WHAT THE MEASURE DOES:

The measure expands the types of health provider licensees that qualify for the rural provider income tax credit.

Detailed Summary

- Adds mental health professionals (clinical social workers, psychologists, licensed professional counselors, marriage and family therapists), naturopathic physicians, pharmacists, medical laboratory scientists, and medical laboratory technicians to the list of provider types eligible for the rural provider income tax credit beginning in 2026.
- Directs the Office of Rural Health to establish criteria for determining eligibility for the provider types newly eligible for tax credit.
- Removes requirement that optometrist have hospital consulting privileges in order to be eligible for tax credit.
- Takes effect on the 91st day following adjournment sine die.

Fiscal impact: May have fiscal impact, but no statement yet issued
Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Medical practitioners who provide care in rural parts of the state may be eligible for a tax credit based on the distance from a major population center where their practice is located. The credit is currently available to practitioners licensed as certified registered nurse anesthetists, dentists, doctors of medicine and osteopathic medicine, nurse practitioners, optometrists, physician associates, and podiatrists. Eligible practitioners must serve set percentages of Medicare and Medicaid recipients in their practice and provide a minimum of 20 hours per week of patient care, averaged over the month, per tax year in an eligible rural area.

House Bill 2365 expands the types of health provider licensees that qualify for the rural provider income tax credit.