

A-Engrossed Senate Bill 772

Ordered by the Senate April 16
Including Senate Amendments dated April 16

Sponsored by Senator NASH, Representative LEVY B (Presession filed.)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act creates a scholarship program for Indian health students. (Flesch Readability Score: 61.3).

Establishes the Indian Health Scholarship Program to provide free tuition and fees for qualifying Indian health profession students in exchange for the student's commitment to work at a tribal service site after graduation.

Appropriates moneys for the 2025-2027 biennium to the Oregon Health and Science University for the purpose of administering the Indian Health Scholarship Program.

A BILL FOR AN ACT

Relating to tribal health; creating new provisions; and amending ORS 676.454 and 676.467.

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

SECTION 1. (1) As used in this section:

(a) "Health care practitioner" means a:

(A) Physician licensed under ORS chapter 677;

(B) Dentist licensed under ORS chapter 679;

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

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

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

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

(c) "Prospective health care practitioner" means a person who has been accepted into, but has not yet started, a qualifying health profession degree program.

(d) "Qualifying health profession degree program" means a degree program at a private or public institution of higher education in this state that meets the educational requirements for licensure as a physician, dentist, nurse practitioner, physician associate or certified registered nurse anesthetist.

(e) "Recipient" means a person who has been selected by the Oregon Health and Science University to receive an Indian Health Scholarship under subsection (5) of this section.

(f) "Service agreement" means the agreement executed by a prospective health care practitioner under subsection (3) of this section.

(g) "Tribal service site" means a health care facility that is located:

(A) On a federally recognized Indian reservation located wholly or partially within the borders of this state; or

(B) In this state and serves a patient population that is at least 50 percent members of

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 a federally recognized Indian tribe.

2 (2) There is created the Indian Health Scholarship Program, to be administered by the
3 Oregon Health and Science University in accordance with rules adopted by the university.
4 The university shall determine who may receive scholarships under subsection (5) of this
5 section.

6 (3) A prospective health care practitioner who wishes to participate in the program shall
7 submit an application to the university in accordance with rules adopted by the university.
8 To be eligible to receive an Indian Health Scholarship, a prospective health care practitioner
9 must:

10 (a) Be a member of a federally recognized Indian tribe; and

11 (b) Execute a service agreement stating that:

12 (A) Immediately upon the recipient's completion of the health profession degree, resi-
13 dency or training, as established for each degree by the university by rule, the recipient will
14 practice as a health care practitioner at a tribal service site for at least the number of years
15 that the recipient was enrolled in the qualifying health profession degree program for which
16 the recipient received a scholarship; and

17 (B) While practicing as a health care practitioner at a tribal service site, the recipient
18 must meet other requirements established by the university by rule.

19 (4) The university may select recipients from among the prospective health care practi-
20 tioners who submit applications under subsection (3) of this section. The university shall give
21 preference, in the following order of priority, to a prospective health care practitioner who
22 is:

23 (a) A member of a federally recognized Oregon Indian tribe; or

24 (b) A resident of this state.

25 (5) The university shall provide a scholarship covering the entire cost of tuition and fees
26 for a recipient's education in a qualifying health profession degree program.

27 (6)(a) A recipient who fails to complete the health profession degree for which the
28 scholarship was awarded shall repay to the university the amount of scholarship received.

29 (b) A recipient who fails to complete the terms of the service agreement shall repay to
30 the university the amount of scholarship received. The total amount to be paid under this
31 paragraph must be reduced on a pro rata basis for every full month that the recipient com-
32 plied with the service agreement.

33 (c) Upon the death of a recipient, any obligation of the recipient under this subsection
34 to repay the university must be canceled.

35 (d) In any case of extreme hardship or for other good cause shown, the university may
36 waive, in whole or in part, the right of the university to recover moneys made available un-
37 der this section.

38 (7) In the event that a recipient is required to repay the university under subsection (6)
39 of this section, the university may:

40 (a) Collect any amounts due;

41 (b) Have any amounts due be collected by the Collections Unit in the Department of Re-
42 venue under ORS 293.250; or

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

44 (8) Any moneys received or collected by the university under subsections (6) and (7) of
45 this section must be deposited into a separate fund held by the university for the purpose

1 **of carrying out the provisions of this section. The university may not use the moneys in the**
 2 **fund for any other purpose.**

3 **SECTION 2.** ORS 676.454, as amended by section 119, chapter 73, Oregon Laws 2024, is
 4 amended to read:

5 676.454. (1) There is created in the Oregon Health Authority a health care provider incentive
 6 program for the purpose of assisting qualified health care providers who commit to serving medical
 7 assistance and Medicare enrollees in rural or medically underserved areas of this state. The au-
 8 thority shall prescribe by rule:

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

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

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

14 (A) Loan repayment subsidies;

15 (B) Stipends;

16 (C) Medical malpractice insurance premium subsidies;

17 (D) Scholarships for students in health professional training programs at the Oregon Health and
 18 Science University;

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

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

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

27 (F) Paying the moving expenses of providers not located in rural or medically underserved areas
 28 who commit to relocate to such areas; **and**

29 **(G) Scholarships under section 1 of this 2025 Act for students who are members of a**
 30 **federally recognized Indian tribe and who are enrolled in health profession training programs**
 31 **at private or public institutions of higher education, as defined in ORS 348.582, in this state;**

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

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

37 (2) Eligibility requirements adopted for the program:

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

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

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

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

43 (B) Serve patients enrolled in Medicare and the state medical assistance program in at least the
 44 same proportion to the provider's total number of patients as the Medicare and medical assistance
 45 patient populations represent in relation to the total number of persons determined by the Office

of Rural Health to be in need of health care in the area served by the practice.

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

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

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

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

SECTION 3. ORS 676.467 is amended to read:

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

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

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

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

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

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

(iii) Provide financial incentives to faculty members in health care professional training programs and clinical preceptors;

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

(v) Include technical assistance; and

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

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

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

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

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

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

(C) Are sustainable over the long term.

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

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

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

SECTION 4. Section 1 of this 2025 Act first applies to the 2026-2027 academic year.

1 **SECTION 5.** There is appropriated to the Higher Education Coordinating Commission, for
2 the biennium beginning July 1, 2025, out of the General Fund, the amount of \$1,000,000, to
3 be distributed to the Oregon Health and Science University for the purpose of administering
4 the Indian Health Scholarship Program created under section 1 of this 2025 Act.
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