

## **HB 3396 BACKGROUND**

**Description:** HB [3396](#) articulates and responds to the Legislature’s intention to “initiate a close look at how tax dollars are spent [on provider incentives] to ensure that taxpayers enjoy the best possible value...” The bill extends the sunset on the existing rural health care provider tax credits for two years and makes minor adjustments to the law concerning who may receive the credits. Additionally, the bill establishes the Health Care Provider Incentives Fund, to fund an OHA-directed health care provider incentives program.

The bill also directs the Health Policy Board to study and evaluate the effectiveness of the financial incentives offered by the state to recruit and retain providers in “rural and medically underserved areas” and make recommendations to the Legislature regarding:

- Continuation, restructuring, consolidation or repeal of existing incentives
- Priority for directing the incentives offered by Health Care Provider Incentive Fund
- The establishment of new financial incentive programs

The Health Policy Board is directed to make a final report to the Legislature by September 1, 2016. Interim reports are also required in November 2015 and during the 2016 Session.

**Staffing:** OHA staff managed the vendor selection process and is providing contract oversight. Working with the Health Care Workforce Committee, OHA staff is providing support on all other aspects of the project. The Health Care Workforce Committee has been assigned the execution of activities directed by HB 3396 as part of its charter by the Health Policy Board. The Committee began its activities around HB 3396 at its January 5<sup>th</sup>, 2016 meeting.

**Deliverable:** A Final Report to the Legislature, by September 1, 2016.