

OPCA Weekly Legislative Report

February 22, 2010

Legislative Session Winds Down

As the 2010 Oregon legislative session enters what may be its final week, OPCA continues working on the two bills of import to community health centers:

HB 3639:

Expands student loan repayment program for providers of primary care. This bill was sent more than a week ago to the Joint Ways and Means Committee.

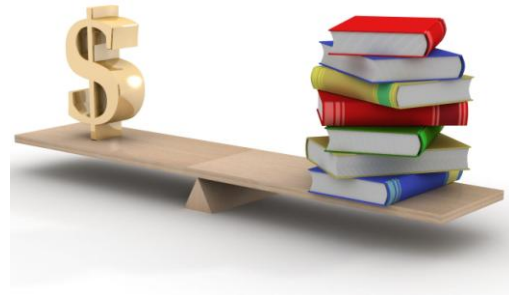
HB 3642:

Reduces the required ratio of supervising physicians to physician assistants. The bill passed out of the Joint Ways and Means Committee and is pending action on the House floor.

Budget Debate Continues...

Lawmakers are predicting that the session will adjourn on Thursday, February 25, pending agreement on the state budget.

The latest revenue estimates indicated that the state's 2009-11 budget would come in about \$185 million short. State budget-writers have been searching for "excess funds," largely from the reserve accounts of state agencies, to close that gap without damaging agency missions. The funds they have uncovered thus far are provoking discussion among legislators and constituents.



For example, organized labor objects to the use of funds from workers compensation and unemployment reserve accounts. And utilities and business groups oppose the use of \$2 million of ratepayer money from the Oregon Public Utilities Commission.

...and the Outlook is Troublesome

Five consecutive revenue forecasts have come in below earlier estimates, and five more are due before the end of the budget period in 2011. State economists believe that revenues may erode further, requiring more cuts this biennium and setting the stage for a lean budget cycle in 2011-13.

Current estimates for 2011-13 indicate that the difference between the Essential Budget Level (EBL) and available resources may be almost \$2.5 billion. (The EBL estimate is \$18.2 billion, but revenues likely will fall under \$16 billion unless the economy rebounds.) Since voters probably will not approve additional taxes on top of those recently passed under Measures 66 and 67, cuts to agency budgets are likely.

The current budget was propped up by close to \$1 billion in federal stimulus funds and a higher match rate on Medicaid spending. Both are likely to disappear by June of 2011.

Meanwhile, in D.C.

President Obama plans a full court press on federal health care reform this week. He has unveiled a \$950 billion comprehensive health care plan and has called Democrats and Republicans to a White House health care summit this Thursday, February 25.

Also on Thursday, 18 representatives from OPCA and six of our member community health centers will be on Capitol Hill, urging members of Oregon's federal delegation to pass health care reform. The visits were planned to coincide with the Policy & Issues Forum held each year by the National Association of Community Health Centers. Health centers and primary care associations from around the nation will join us on the Hill, telling their members of Congress that federal reform is needed NOW.

Watch next week's edition of the *Legislative Update* for a recap of our day on the Hill.