
Higher Education Committee

SSB 5615

Brief Description: Concerning the health professional loan repayment and scholarship program.

Sponsors: Senate Committee on Higher Education (originally sponsored by Senators Frockt, Becker, Cleveland, Keiser, Kohl-Welles, Schlicher, Kline, Conway and Chase).

Brief Summary of Substitute Bill

- Requires the Office of Student Financial Assistance within the Washington Student Achievement Council to contract with a fundraiser to solicit and accept grants and donations from public and private sources for the Health Professional Loan Repayment and Scholarship Program (Program).
- Adds medical and dental residents as possible recipients of the Program.

Hearing Date: 3/5/13

Staff: Madeleine Thompson (786-7304).

Background:

Health Professional Shortage Area.

State statute defines a health professional shortage area is an area where health care professionals are in short supply as a result of geographic maldistribution or as the result of a short supply of health care professionals in specialty health care areas, and where vacancies exist in serious numbers that jeopardize patient care and pose a threat to public health and safety.

Health Professional Loan Repayment and Scholarship Program.

The Health Professional Loan Repayment and Scholarship Program (Program) was created for credentialed health professionals that agree to meet the required service obligation in designated health professional shortage areas. The Program is administered by the Office of Student Financial Assistance (Office), which is overseen by the Washington Student Achievement Council (Council).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

State funding for the program reached a peak in 2009 at \$4.35 million, but funding for the state program was suspended in the 2010 and 2011-13 budgets. The state match, that allows the state to participate in the federal State Loan Repayment Program (SLRP), is still funded at \$530,000.

In administering the Program, the Office must:

- select credentialed health care professionals to participate in the loan repayment portion of the loan repayment and scholarship program and select eligible students to participate in the scholarship portion of the loan repayment and scholarship program;
- adopt rules and develop guidelines to administer the program;
- collect and manage repayments from participants who do not meet their service obligations under this chapter;
- publicize the program, particularly to maximize participation among individuals in shortage areas and among populations expected to experience the greatest growth in the workforce;
- solicit and accept grants and donations from public and private sources for the program; and
- develop criteria for a contract for service in lieu of the service obligation, where appropriate, that may be a combination of service and payment.

There are currently 56 active recipients in the conditional scholarship portion of the program: 16 students and 40 in service. No new state conditional scholarships have been awarded since 2010.

The primary care programs and active scholarship recipients are:

- Nurse Faculty - 6;
- Registered Nurse - 23;
- Bachelors of Science in Nursing - 11;
- Physician Assistants - 3;
- Licensed Practical Nurse - 5;
- Doctor of Osteopathic Medicine - 2;
- Medical Doctor - 1;
- Masters of Science in Nursing - 1;
- Nurse Practitioner - 2; and
- Certified Nurse Midwife - 2.

In the loan repayment portion of the program there are 82 active recipients that include the suspended state program and the currently funded federal program. Two new awards have been given since 2010 for psychiatrists as authorized in the 2012 budget. The primary care provider types and number of active recipients are:

- Doctor of Dental Medicine - 2;
- Registered Dental Hygienist - 2;
- Doctor of Dental Surgery - 9;
- Pharmacist - 10;
- Registered Nurse - 9;
- Physician Assistant - 8;
- Nurse Practitioner - 12;
- Medical Doctor - 22;
- Psychiatrist - 2; and

- Doctor of Osteopathic Medicine - 6.

Summary of Bill:

The Office must solicit and accept grants and donations from public and private sources for the Program. The Office must contract with a fundraiser to raise funds for the scholarship and repayment program, and the fundraiser must be paid no more than a maximum of 15 percent out of those raised funds.

Medical and dental students that are serving residencies are added as possible recipients of the Program.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.