

SENATE BILL REPORT

SB 5615

As of February 14, 2013

Title: An act relating to the health professional loan repayment and scholarship program.

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

Sponsors: Senators Frockt, Becker, Cleveland, Keiser, Kohl-Welles, Schlicher, Kline, Conway and Chase.

Brief History:

Committee Activity: Higher Education: 2/14/13.

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Katherine Taylor (786-7434)

Background: The health professional loan repayment and scholarship program was created for credentialed health professionals serving in health professional shortage areas. The program is administered by the Student Financial Assistance Office (Office), which is overseen by the Washington Student Achievement Council (WSAC).

A health professional shortage area is defined as those areas 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 the public health and safety.

In administering the health professional loan repayment and scholarship 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;

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- 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.

The Office must also create a planning committee to assist it in developing criteria for the selection of participants. The committee includes representatives from the Department of Health, the Department of Social and Health Services (DSHS), health care facilities, provider groups, consumers, the State Board for Community and Technical Colleges, the Superintendent of Public Instruction, and other agencies and organizations.

The Office, in consultation with DSHS, must: establish annual award amounts for each credentialed health care profession which must be based upon an assessment of reasonable annual eligible expenses involved in training and education for each health care profession; determine any scholarship awards for prospective physicians in such a manner to require the recipients to declare an interest in serving in rural areas of Washington; establish the required service obligation for each health care profession; determine eligible education and training programs for purposes of the scholarship portion of the program; and honor loan repayment and scholarship contract terms.

A federally qualified health center is a reimbursement designation from the Bureau of Primary Health Care and the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services. Examples of such a health center include community health centers, migrant health centers, health care for the homeless programs, and public housing primary care programs.

Summary of Bill: A representative from the Dental Quality Assurance Commission and the Medical Quality Assurance Commission must be added to the planning committee created by the Office. The planning committee must seek private funding and grant opportunities to supplement state funds provided for the health professional loan repayment and scholarship program.

The Office, in consultation with DSHS, must among other duties, do the following:

- determine any loan repayment awards or scholarships available for medical students who agree to serve a residency in a rural physician shortage area or a nonshortage rural area of the state;
- establish the required service obligation in the rural areas for physicians to retain eligibility for the loan repayment award and work with hospitals in those areas to develop residency opportunities;
- determine any scholarship awards for prospective dentists in such a manner as to require the recipients to declare an interest in serving in rural areas of Washington;
- give scholarship award preference to prospective dental students who reside in an area served by federally qualified health centers prior to admission to an eligible education and training program in dentistry;
- give the highest scholarship award preference to dental students seeking admission who are recommended by sponsoring communities and who declare the intent of serving as a dentist for a federally qualified health center;

- determine any loan repayment awards for recent dental graduates who practice at a federally qualified health center after graduation; and
- establish the required service obligation for such recent dental graduates in the federally qualified health center to retain eligibility for the loan repayment award.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: We are enthusiastic about this bill but it still needs work. You may change your mind about where you want to work by the time you graduate. The universities are the ones who should be developing the programs not the loan program itself. Increased funding is important and appreciated. With the expansion of Medicaid, we need a bill like this. Young dentists are eager to help patients but they have a lot of debt. Dentists who want to work in rural areas have a hard time making it a reality. There is a timing issue between when dentists take certain graduation tests and when they can apply for the repayment program. We want to expand access to healthcare. We want to revive the loan repayment program. We want nurses included in the bill. Nurses have student loans too. We support the intent of the bill. We have concerns about scholarships for students who have not been accepted to a program yet. We support including additional healthcare professionals in the bill. Debt levels depend on the medical specialty.

CON: We are not opposed to the intent. However, we do not want to exclude naturopaths. Naturopaths have high debt too and want to work in rural settings. Over 75 percent of naturopaths want to work in rural and underserved areas but cannot due to debt.

Persons Testifying: PRO: Susie Tracy, WA State Medical Assn., Caring for WA; Bracken Killpack, WA State Dental Assn.; Randi Abrams-Caras, SEIU Healthcare 1199NW, Nurse Alliance; Margaret Shepherd, University of WA; and Melissa Johnson, WA State Nurses Assn.

CON: Robert May, WA Assn. of Naturopathic Physicians.