



MARYLAND HEALTH CARE COMMISSION

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**2020 SESSION
POSITION PAPER**

BILL NO: HB 998
COMMITTEE: Appropriations
POSITION: SUPPORT

TITLE: Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants - Administration and Funding

BILL ANALYSIS: Transferring oversight of the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants from the Office of Student Financial Assistance within the Maryland Higher Education Commission to the Maryland Department of Health; requiring the Department, on or before a certain date each year, to submit a certain report to the General Assembly; altering certain provisions of law related to funding for the Program; requiring the Comptroller, in certain fiscal years, to distribute certain fees in a certain manner for a certain purpose if the Governor does not include a certain amount of funding for the Program in the State budget; requiring the Comptroller to distribute certain fees to the Board of Physicians Fund if the Governor includes in the State budget a certain amount of funding for the Program; requiring the Department to convene a certain workgroup; providing for the duties of the workgroup; requiring the workgroup to submit a certain report to the General Assembly on or before a certain date; and other changes generally relating to the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants.

POSITION AND RATIONALE:

The Maryland Health Care Commission (Commission) supports House Bill 998 (HB 998) for two reasons: 1) this bill aligns with recommendations that the Workgroup on Rural Health Delivery made to the Commission in 2017 and 2) this bill helps address geographic disparities in health care access identified in a 2018 study of projected workforce supply.

In the 2017 report “[Transforming Maryland’s rural healthcare system: A regional approach to rural healthcare delivery](#)”, the Workgroup on Rural Health Delivery recommended to the

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Maryland Health Care Commission that the General Assembly should streamline the management of the State Loan Repayment Assistance Program (LARP) by centralizing oversight of the program in either the Maryland Higher Education Commission or the Maryland Department of Health. HB 998 centralizes this program in the Maryland Department of Health. The 2017 report also recommends creating or extending tax credits, loans, or grant opportunities for providers to practice in rural communities. HB 998 expands the funding available under LARP.

In 2018, the Commission conducted a workforce study focused on primary care providers, behavioral health care providers, and selected specialty types (including obstetrics/gynecology). This study modeled demand and supply for these provider types through 2030. Maryland's population is projected to grow 9 percent between 2016 and 2030 and the population age 65 and older will grow 52 percent.

This study showed that Maryland has a sufficient supply of primary care physicians as of 2017, but that the demand for primary care physicians may outpace supply (depending on assumptions in the model) in the near future.¹ However, the supply of nurse practitioners and physician assistants working in primary care is expected to expand in the near term, so that the overall primary care provider workforce is expected to be adequate (under all assumptions tested in the model in this study) within the next five years.

In addition to modeling state-wide supply of health practitioners in primary care, this study looked at the geographic distribution of supply. There are substantial differences in the projected adequacy of primary care physician supply by county.

The study also looked at women's health providers (obstetrics and gynecologists and women's health nurse practitioners) and found inadequate supply beginning in the next few years, as well as geographic disparities in supply.

Looking at behavioral health, the State currently has enough psychiatrists and psychologists to meet current demand. However, behavioral health care is underutilized. If demand increased to meet even 20 percent of currently unmet need, then the supply of these behavioral health providers would be insufficient in the next few years.

HB 998, by providing loan repayment for providers who practice primary and behavioral health care in underserved areas in the State, can help limit disparities in health care access between geographic areas in the State and improve healthcare access.

The Commission recommends a favorable report on HB 998.

¹ The demand for family practice physicians is much larger than supply for the whole 2016-2030 time period covered by the study.

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