

**Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants –
Administration and Funding
House Bill 998**

Before the Appropriations Committee

February 25, 2020

Position: Support

Good Afternoon, I am Dr. Joseph A. Ciotola, Jr. I am the Health Officer for Queen Anne's County on the Eastern Shore. I have been a licensed orthopedic physician since 1973. I practiced medicine at the University of Maryland Medical System from 1973 to 2005 and I was recently appointed to UMMS Board of Directors.

I co-chaired the Rural Health Work Group, created by Senate Bill 707 in 2016 and was tasked with drafting recommendations for improving healthcare delivery services to rural populations in Maryland. The Workgroup carefully studied the many healthcare challenges faced by rural communities in the state.

Residents living in rural communities encounter several barriers that limit access to adequate healthcare such as quality, proximity to services, costs associated with travel, limited funding, and a variety of other factors. At the core of our effort was the goal of alleviating the challenges associated with access to primary care. The need for efficient primary care in rural areas is a dramatic concern due to myriad factors including but not limited to, an aging population and quite importantly a pronounced shortage of primary care providers. Following our study, we made several recommendations to facilitate this objective, including streamlining and expanding the Maryland Loan Assistance Program.

The passage of HB 998 would significantly help to address concerns related to healthcare provider shortages in rural areas by providing financial assistance incentives to physicians and physician assistants who choose to work in underserved geographic regions of the state. This bill would increase the funding for the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants (LARP) and transfer oversight of the program from the Maryland Higher Education Commission to the Maryland Department of Health. It would require the Governor to include at least \$400,000 in the State Budget for the program for each of fiscal years 2019 through 2021, and increasing the amount to \$1,000,000 in fiscal year 2022 and each year after. This Bill would also require the Department of Health to submit a report to the General Assembly detailing the number of physicians and physician assistants who applied to the program. Currently, the program lacks the funding needed to support the number of applicants interested in participating in the program. In FY2019, the program could only support awards for 12 applicants, and just 15 in FY2020.

LARP provides financial assistance to physicians, physicians completing residencies, and physician assistants practicing in designated geographic areas. The goal of the program is to mitigate the healthcare provider shortages in rural and underserved regions of the state by alleviating some of the financial burdens new doctors and providers face in repaying their student loan debt. The program helps primary care providers pay off their student loans in exchange for a commitment to work in health workforce shortage areas for a minimum of two years. Studies suggests that residents who train in rural areas and whose training emphasizes services necessary for rural practice are more likely to practice in rural areas after their residencies end. Scholarships and loan repayment programs are effective in achieving long-term retention of physicians in the communities they serve.

Strengthening the Maryland Loan Repayment Program would be a very strong step in improving access to essential primary care in Maryland and most especially in rural areas. For these reasons, we urge a favorable report on House Bill 998.

Respectfully submitted,

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Health Officer
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