



Maryland
Hospital Association

January 21, 2021

To: The Honorable Guy Guzzone, Chair, Senate Budget & Taxation Committee

Re: Letter of Support- Senate Bill 92- Income Tax - Credits for Preceptors in Areas With Health Care Workforce Shortages- Eligibility and Sunset Repeal

Dear Chair Guzzone:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 92. This legislation reduces the required hours of training a licensed physician needs to participate in the preceptorship program and qualify for the tax credit. The bill also repeals the sunset provision, making this income tax credit permanent.

Recruiting and retaining a robust workforce is essential to the vitality of hospitals and health systems, the success of the Maryland Model, and our ability to ensure all Marylanders have access to the care they need. By 2030, many of Maryland's 24 jurisdictions are projected to have shortages in primary care and mental health providers.¹ Despite having world-renowned medical schools here, we are a net exporter of physicians—losing 60% of medical graduates every year.

Physician and advanced practitioner preceptorship programs integrate community-based teaching. This means a medical provider—a preceptor—teaches a medical resident or student in a clinical environment. This mentorship improves the learner's experience through role modeling, effective assessment, immediate feedback, and meaningful evaluation. Tax incentives that support preceptorship programs will encourage this valuable work, which is done on a volunteer basis. Several other states have adopted similar programs with successful outcomes similar to Maryland. The program centers on recruiting in healthcare shortage areas encouraging students to learn in underserved communities. This is one simple way to invest in our healthcare workforce especially now given the strain and demand on providers responding to the pandemic.

For these reasons, we urge you to give SB 92 a favorable report.

For more information, please contact:
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¹ IHS Markit. (September 20, 2018). Maryland Primary Care and Selected Specialty Health Workforce Study: Study Methods and Findings