



Pegeen A. Townsend
Vice President, Government Affairs
9 State Circle, Suite 303
Annapolis MD 21401
410-292-8824 CELL

SB 626 – Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants - Alterations

Position: *Support*

February 17, 2022

Senate Education, Health, and Environmental Affairs Committee

Bill Summary

SB 626 would create a Maryland Loan Assistance Repayment Program Advisory Council for Physicians and Physician Assistants in the Department. The Advisory Council is charged with seeking permanent and diverse revenue sources to aid in the stability and further development of the program and assist the Department in the administration of the program. The legislation clarifies that part-time physicians and physician assistants are also eligible to participate in the program.

MedStar Health's Position

Health care workforce shortages are expected to grow as the Maryland population ages, health care practitioners retire, and the number of graduating medical students and residents do not keep pace. The Association of American Medical Colleges projects there will be a national primary care physician shortage of between 21,000 and 77,100 physicians by 2034. As of September 30, 2021, there are a total of 48 primary care Health Professional Shortage Areas (HPSA) in Maryland, inclusive of 887,614 Maryland residents. Maryland is also a top exporter of physicians with nearly 60 percent of Maryland medical school graduates leaving to practice out-of-state.

Tuition costs for higher education have increased over recent years, with annual growth exceeding monetary inflation by more than two and a half times. Students must also account for costs related to mandatory fees, health and malpractice insurance, vaccinations, uniforms, books, transportation, and living expenses. For the 2019-2020 academic year, the cost of attendance at the University of Maryland School of Medicine was \$79,141 for Maryland residents and \$110,723 for out-of-state attendees.

A wide variety of tactics are currently utilized within the state to help meet the health care workforce needs of Marylanders, including the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants. The Program serves to incentivize qualifying physicians and physician assistants to practice in underserved areas in exchange for education loan repayment. Generally, in exchange for a two-year service obligation in an underserved area of the state, physicians and physician assistants are eligible for up to a total of \$100,000 in education loan repayments if selected for participation in the program.

A strong health care workforce is an absolute necessity to providing optimal health care access to all Marylanders. A program of educational loan repayment for health care providers is an effective tool for health care workforce development.

For the reasons listed above, we respectfully ask that you give SB 626 a ***favorable*** report.