



Board of Physicians

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Damean W.E. Freas, D.O., Chair

2022 SESSION POSITION PAPER

BILL NO.: SB 626 – Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants - Alterations
COMMITTEE: Education, Health, and Environmental Affairs
POSITION: Support

TITLE: Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants – Alterations

POSITION & RATIONALE:

The Maryland Board of Physicians (the Board) is submitting this Letter of Support for Senate Bill (SB) 626 – Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants – Alterations.

Senate Bill 501 (2020) established the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants (MLARP) Workgroup, which was tasked with making findings and recommendations for the improvement and expansion of MLARP, including recommendations on the structure of a permanent advisory council and a permanent funding structure for MLARP. These recommendations were submitted to the General Assembly in December 2021 in a final workgroup report.

During the MLARP Workgroup, members were given presentations by representatives of other state support-for-service programs. Dr. Robert Sewell, architect of Alaska’s incredibly successful loan repayment program, began his presentation with an important reminder: this program is about access to healthcare, not about loan repayment. Even prior to the COVID-19 pandemic, national trends, including a growing and aging general population, rising education debt for clinicians and difficulty with recruitment and retention for hospitals in underserved communities, have all served to exacerbate health care disparities in Maryland and across the nation.

Support-for-service programs such as MLARP are important components in Maryland’s strategy to narrow gaps in health care coverage. MLARP creates both an incentive for health care practitioners to work in traditionally underserved communities and a network to connect these practitioners to the areas where they are needed the most. In fiscal year 2022, MLARP awarded approximately 30 grants to practitioners. While this number may seem modest, this potentially represents tens of thousands of patient encounters annually, all in areas experiencing significant shortages of health professionals.

For decades, MLARP has been solely funded at the state level by contributions made by the Board. The Board has contributed more than \$11 million to MLARP since 1997, and over the past two years alone, almost 10% of its annual revenue went toward the program. However, for the program to expand, more diverse funding sources are necessary. The MLARP Workgroup reviewed the most successful loan repayment programs across the country, and a key commonality was that all of them relied on multiple funding sources, including state funds, private contributions and employer matches.

The Board supports all ten recommendations made by the MLARP Workgroup and detailed in its final report. SB 626 would take steps toward implementing some of these recommendations by expanding the program to include part-time practitioners and establishing a permanent advisory council to monitor the program and seek permanent and diverse revenue sources. It is an important step toward expanding an essential program, and the Board urges a favorable report.

Thank you for your consideration. For more information, please contact Matthew Dudzic, Health Policy Analyst, Maryland Board of Physicians, 410-764-5042.

Sincerely,



Damean W. E. Freas, D.O.
Chair, Maryland Board of Physicians

The opinion of the Board expressed in this document does not necessarily reflect that of the Maryland Department of Health or the Administration.