

**Written Testimony in Support With Amendments
House Bill 595 – Physician Preceptor Tax Credit
February 12, 2026**

Chair Wilkins, Vice Chair Feldmark, and Members of the Committee,

Thank you for the opportunity to provide testimony on House Bill 595. As Maryland works to address physician shortages, especially in primary care and underserved areas, supporting preceptors is essential.

However, I respectfully urge the Committee to adopt amendments to ensure this bill advances Maryland's medical education and workforce goals without unintended consequences. This tax credit was initially developed to aid with the recruitment and retention of preceptors for our state medical school.

Impact on Maryland's Public Medical School

The University of Maryland School of Medicine (UMSOM) is currently expanding its enrollment from one hundred sixty students to one hundred seventy-five, with plans to reach two hundred students by 2031. This expansion represents a significant state investment in growing Maryland's physician workforce. At the same time, UMSOM already faces shortages of community-based clinical preceptors required for core rotations.

HB 595 would remove the requirement that students be enrolled in a Maryland medical school for preceptors to qualify for the tax credit. Without a priority provision, this change would create direct competition for a limited pool of community-based preceptors between UMSOM students and students from neighboring institutions such as Georgetown, Penn State, West Virginia University, Thomas Jefferson, and even Caribbean medical schools.

Because preceptor capacity is finite, this change risks subsidizing clinical training for out-of-state institutions while constraining Maryland's own public medical school at the very moment when UMSOM's class size expansion is increasing demand for placements.

Recommended Amendment: Maryland Student Priority

I respectfully recommend that the bill be amended to create a two-tiered tax credit structure, such that Maryland medical school preceptors receive priority over those teaching students from out-of-state.



Such an amendment would:

1. Protect UMSOM's ability to accommodate its planned enrollment expansion.
2. Ensure Maryland's tax dollars primarily support Maryland medical education.
3. Support preceptors to teach out-of-state students when capacity exists.
4. Align the tax credit program with Maryland's long-term physician workforce goals.

I have spoken with stakeholders involved in initiating this legislation, including representatives from the Maryland Academy of Family Physicians as well as MedChi, and there is openness to a tiered system that prioritizes UMSOM preceptors and Maryland medical students ahead of others. This approach would preserve the bill's intent while preventing unintended harm to Maryland's public medical education infrastructure.

Fiscal Considerations

While on the surface there is no direct fiscal impact to the University of Maryland, Baltimore or the state, there is potential indirect impact if increased competition for preceptors forces UMSOM to develop stipends or alternative, potentially more costly, clinical training arrangements to secure adequate placements for its expanding class.

Conclusion

Maryland has made a clear commitment to expanding physician training capacity through UMSOM. HB 595 can support that goal if structured to ensure that Maryland students and their preceptors are prioritized, enabling us to "grow our own" workforce.

For these reasons, I respectfully request that the Committee issue a favorable report on HB 595 with amendments establishing priority for tax credit eligibility for UMSOM preceptors.

Thank you for your consideration and for your continued commitment to strengthening Maryland's physician workforce. Please do not hesitate to reach out to me or UMB Director of Government Affairs, Jeanette Ortiz, at 410.703.5352 or jeanette.ortiz@umaryland.edu if we can provide any additional information.

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