Testimony
Health Care Reform Committee
Wednesday, July 23, 2014
North Dakota Department of Health

Good morning Chairman Kaiser and members of the Health Care Reform Committee. My name is Mary Amundson, representing the North Dakota Department of Health as Director of the Office of Primary Care. I am here today to provide a presentation regarding the various loan repayment programs offered to qualified health professionals in North Dakota.

I have provided four documents for your review: one summarizes the programs related to the budget; one explains the North Dakota State Loan Repayment Program; one explains the Federal State Loan Repayment Program (SLRP), which is awaiting federal grant approval; and one summarizes the federal National Health Service Corps program. I also have provided you with maps showing the Health Professional Shortage Areas (HPSA) in North Dakota. HPSA is used as criteria in the loan repayment programs.

The state legislature created and funded the following loan programs: the State Community Matching Physician Loan Repayment Program (Chapter 43-17.2) in 1991; the State Medical Personnel Loan Repayment Program (Chapter 43-12.243) in 1993; the Dentists' Loan Repayment Program (Chapter 43-28.1) in 2001; and the Dental Nonprofit Public Health Program (Chapter 43-28.1-01.1) in 2009.

The specific criteria that determine eligibility of the provider and community are listed in the documents. Basically, for the medical providers in the state programs, preference is given to providers that practice in communities with not more than 15,000 persons; for dentists in the state programs, communities with populations under 2,500 have the highest priority. Communities with defined health professional medical need or which are designated as HPSAs, also have a priority for the loan repayment programs. Some of the programs require a community match. For dentists, eligible practice sites include public health nonprofit dental clinics and providers that serve in areas that demonstrate greatest need for dentists. The North Dakota Department of Health has submitted a Federal State Loan Repayment Program (SLRP) grant application. This loan repayment program would expand the qualified disciplines to include mental/behavioral health providers, pharmacists and registered nurses. The SLRP must follow the policies of the National Health Service Corps program, so sites must be located in HPSAs, use

a sliding fee for patient billing, and have a non-discrimination policy for seeing patients. The site and providers must also see Medicare and Medicaid patients. This program includes state and county mental health hospitals and long term care facilities which are not eligible for loan repayment through the other programs, so it expands access to mental/behavioral health, pharmacy and nursing.

Depending on the state program, providers would enter into a contract with the State of North Dakota offering to provide two to four years of service in their respective communities. The medical programs and SLRP have a 1:1 community match; the dental programs are supported totally through state appropriation.

2013–2015 Appropriated funds for the loan repayment programs are as follows:

Program	**General Fund**	**Community Health Trust Fund**	**Total**
Dental	$180,000	$340,000	$520,000
Dental New Practice	0	$25,000	$25,000
Medical	$576,788	0	$576,788
Total	$936,788	$365,000	$1,301,788

The budget for the 2015-2017 biennium is currently under development.

Approximately, 95 clinicians have received support through the medical programs in 31 different communities across the state.

To complement the state programs, a federal program, The National Health Service Corps, provides a loan repayment program directly to medical, oral health, behavioral and mental health providers. To be eligible for this program, a community must be located in a HPSA. Providers are selected for participation in the program based on the HPSA score – the higher the score, the more likely the applicant will be selected. There are no matching funds required for this program.

This concludes my presentation. I am happy to answer any questions you may have.

State Loan Repayment Program

Summary of North Dakota Loan Repayment Programs for Health Professionals - August 2012

	Physician (MD)	*Nurse Practitioner/Physician Assistant/Certified Nurse Midwife (NP/PA/CNM)*	*Dentist (DDS)*	*Dentist New Business Grant*	*Dentists in Public Health and Nonprofit Dental Clinics*	*Veterinarian (DVM)*
Year program began	1991	1993	2001	2007	2009	2007
*Max Amount of award per individual **from State***	$45,000	$15,000	$80,000	$25,000	$60,000	$80,000
Years of service Required	2	2	4	5	3	4
State Payment parameters	1st pymt- after at least 6 mo. service; pymt can be no later than the end of the fiscal yr. of service - 22,500 / pymt	1st pymt- after at least 3 mo. service; pymt can be no later than the end of the fiscal yr. of service- 7,500 / pymt	1st pymt- after at least 6 mo. service; pymt can be no later than the end of the fiscal yr. of service - 20,000 / pymt	Distributed in equal amts over 5 yr. period	Payments must be made during the 1st two years of service.	1st pymt (15,000)- after 6 mo. service the 1st yr.; 2nd pymt (15,000) - upon completion of 2nd yr. of service; 3rd pymt (25,000) upon completion of 3yrs; 4th pymt (25,000) upon completion of 4 yrs.
State / Community match	50%/50%	50%/50%	None	50%/50%	None	None
Number of awards/year	As many as funding will support	As many as funding will support	3	2	3 per biennium	As many as funding will support - ***see footnote 1***
2013 - 2015 Biennial budget	**464,288**	**112,500**	**520,000**	**25,000**	**180,000**	**485,000**
General	464,288	112,500	180,000	0	180,000	485,000
CHTF	0	0	340,000	25,000	0	0
Century code	43-17.2	43-12.2	43-28.1	43-28.1	43-28.1-.01.1	43-29.1
Penalty if leave early	Twice uncredited amount on prorated monthly basis	Twice uncredited amount on prorated monthly basis	Total amount received	Law is Silent	Law is silent	Prorated for amount of time served for the specific yr. service was not fulfilled
Continuing Approp. Authority to grant additional awards if gifts, grants or donations are rec'd	No	No	Yes	No	No	Yes

1 - 2011 Session Laws change requirement of funding of "no more than 3 veterinarians" to being limited to the number supported by moneys available.

Federal / State Loan Repayment Program

Federal State Loan Repayment Program (SLRP) *

	Physician (MD)	*Nurse Practitioner/Physician Assistant/Certified Nurse Midwife (NP/PA/CNM)*	*Dentist (DDS)*			
Year program began	2012	2012	2012			
*Max Amount of award per individual **from State***	$25,000	$15,000	$25,000			
Years of Service Required	2	2	2			
Payment Parameters	1st pymt- at the end of first year of service obligation, by June 30; 2nd pymt at end of 2nd year of service obligation	1st pymt- at the end of first year of service obligation, by June 30; 2nd pymt at end of 2nd year of service obligation	1st pymt- at the end of first year of service obligation, by June 30; 2nd pymt at end of 2nd year of service obligation			
Annual Payments	State $12,500 Community $12,500 Federal $25,000	State $7,500 Community $7,500 Federal $15,000	State $25,000 Federal $25,000			
State / Community match	25% State 25% Community 50% Federal	25% State 25% Community 50% Federal	50% State 50% Federal			
Number of awards	3 total	3 total	4 total			
Federal Award	**$150,000 federal 09-01-2012 through 08-31-2014**	**$90,000 federal 09-01-2012 through 08-31-2014**	**$200,000 federal 09-01-2012 through 08-31-2014**			
Century code	43-17.2-02	43-12.2-02	43-28.1-02			
Penalty	Severe federal penalties, mandated by the Federal State Loan Repayment Program Office, are imposed on health care providers for default of the SLRP contractual agreement. Failure of the provider to meet any of the contractual service requirements will result in a provider penalty consisting of: 1) The payback of any SLRP funds received throught the program, 2) A default penalty of $7,500 per month multiplied by the number of months of the entire contract (if less than one year has been served) or $7,500 multiplied by the number of months remaining in the contract (if the provider has served more than one year), and 3) An additional $10,000 penalty if the defaulted contract is three or more years in length.					
Continuing Approp. Authority to grant additional awards if gifts, grants or donations are rec'd	No	No	No			

**** - Must practice in a federally designated workforce shortage area***

North Dakota State Loan Repayment Programs

Program Description	The North Dakota Loan Repayment Programs are state financed and administered programs designed to attract physicians, nurse practitioners, physician assistants and dentists to practice in areas of need.		
Eligible Disciplines	**Medicine (** State Community Matching Physician Loan Repayment Program) • Family Medicine • Internal Medicine • Obstetrics/Gynecology • Pediatrics • General Surgery	**Nurse Practitioners Physician Assistants, Certified Nurse Midwives** (State Medical Personnel Loan Repayment)	**Dentists** (Dental State Loan Repayment Program and Public Health Nonprofit Dental Loan Repayment Program)
Where Providers Serve	Preference is given to providers practicing in communities with not more than 15,000 persons or communities with defined health professional medical need.		Dentists are encouraged to practice in areas of greatest need or in public health/nonprofit dental clinics.
Application Requirements/ Provider Selection Criteria	• Graduated from an accredited four-year allopathic or osteopathic medical school in the U.S., its possessions, territories or Canada. • Approved/licensed by the ND Board of Medical Examiners. • Preference for UND School Medicine graduates. • Need for the specialty. • Commitment to serve. • Achievement of community match. • Availability to begin providing services. • Professional competence and conduct. • Willingness to accept Medicare and Medicaid assignment.	• Enrolled in or graduated from an accredited training program in this state or may be a North Dakota resident enrolled in or graduated from an accredited program in another state or Canada. • Licensed or registered to practice in North Dakota.	• Must be enrolled in or have graduated from an accredited graduate specialty training program in dentistry during the year immediately preceding the application ; or within one year after the date of the application. • A dental license is not needed at the time of the application. • Willingness to accept Medicare and Medicaid assignment. • May not have practiced dentistry full time in this state during the three years immediately preceding the application. *See Century code for dentists practicing in urban areas.* *http://www.legis.nd.gov/cencode/t43.html*
Financial Benefits	• Receive up to $90,000 to repay educational loans. • Community must provide at least half of the loan repayment award.	• Receive up to $30,000 to help repay educational loans • Community must provide at least half of the loan repayment award.	State Loan Program: • Receive up to $80,000 to repay educational loans. Public Health and Nonprofit Program: • Receive up to $60,000 over a two-year period but must serve three years.

North Dakota State Loan Repayment Programs

	Medicine	Nurse Practitioners, Physician Assistants, Certified Nurse Midwives	Dentists
Community Selection Criteria	• Physician to population ratio. • Access of area residents to medical care. • Indicators of community support for the provider. • Preference is given to communities with not more than 15,000 persons or less or communities with demonstrated health professional medical need. • Accept Medicare & Medicaid assignments. • Provide a two-year provider contract.	• The ratio and mix of providers in the community. • Indicators of community support for the provider. • Preference is given to communities with not more than 15,000 persons or less or communities with defined health professional need. • Accept Medicare & Medicaid assignments. • Provide a two-year provider contract.	• Communities with populations under 2,500 have highest priority. Populations' 2,500-10,000 next priority and communities with populations greater than 10,000 have lowest priority. • Demonstrated need for dental services. • Public Health Non/profit use a sliding fee discount for patient billing.
Service Commitment	Must enter into a two-year, full-time, non-renewable contract in selected community with the North Dakota Department of Health.		State Program: Must enter into a four-year, full-time nonrenewable contract with the North Dakota Department of Health. Public Health/Nonprofit Program: Must practice full-time for three years.
Payments	• 1st payment will be made at the end of the first year of service obligation, by June 30th. • 2nd payment will be made at the end of the second year of service obligation in accordance with applicable laws.		
Application Deadline	• Applications are due March 15th ~ State Health Council Reviews by April 30 ~ Contracts signed and returned June 30		
Penalties	If the provider breaches the loan repayment contract, he or she is liable for twice the total uncredited amount of all loan repayment that was contracted on a prorated monthly basis. The provider can't receive benefits from the state and federal loan repayment programs simultaneously.		If the dentist breaches the loan repayment contract, they are liable for the total amount of any loan repayment funds received.
	Providers can apply for more than one program but can only accept one award.		
Contact & Website	Mary Amundson, MA mary.amundson@med.und.edu ~ 701-777-4018 http://www.med.und.edu/family-medicine/workforce.cfm		Mary Amundson & Kimberlie Yineman kyineman@nd.gov

North Dakota Federal State Loan Repayment Program (SLRP)

Waiting Grant Approval – September 2014

Program Description	SLRP is a State/Federal partnership to aid in the placement of primary care providers in areas of greatest need.
Eligible Disciplines in North Dakota	Family Medicine ~ Internal Medicine ~ Obstetrics/Gynecology ~ Pediatrics ~ General and Pediatric Dentists ~ Registered Dental Hygienists ~ Nurse Practitioners ~ Physician Assistants ~ Certified Nurse Midwives ~ Health Service Psychologists ~ Licensed Clinical Social Workers ~ Psychiatric Nurse Specialists ~ Licensed Professional Counselors ~ Marriage and Family Therapists ~ Registered Nurses ~ Pharmacists
Where Providers Serve	Providers must practice in discipline specific Health Professional Shortage Areas (HPSAs). Pharmacists and registered nurses must practice in Primary Care HPSAs.
Application Requirements/ Provider Selection Criteria	• Must be U.S. citizen. • Must not have outstanding contractual obligations unless completed before the SLRP contract has been signed (this includes recruitment bonuses). • Must not have a judgment lien against their property. • Must not be excluded, debarred, suspended or disqualified by a Federal agency. • Must not have defaulted on a Federal or State obligation or have debts written off as uncollectible. • Must not have breached a prior service obligation or have not had any service or payment obligation waived. • Graduated from an accredited training program in the U.S., its possessions, territories or Canada. • Approved/licensed by discipline specific licensing boards. • Achievement of matching funds. • Accept Medicare and Medicaid assignment. • Agree to practice two years in selected area.

Community Selection Criteria	• Community must be located in a HPSA.
	• Accept Medicare & Medicaid assignments.
	• Provide a two-year provider contract.
	• Site charges professional services at the usual and customary prevailing rates in the area
	  ▪ Site must offer a reduced rate or no fee for persons unable to pay for services.
	  • Site must provide 1:1 matching funds.

North Dakota Federal State Loan Repayment Program (SLRP)

Eligible Sites	Federally-Qualified Health Centers (FQHCs) ~ FQHC Look-Alikes Rural Health Clinics ~ Critical Access Hospitals State/County Mental Health Hospitals ~ Long-Term Care Facilities Community Outpatient Facility ~ Community Mental Health Facility State/County Health Department Clinic ~ Free Clinic School-based Health Clinic Indian Health Service Clinic ~ Tribal Health Clinic Urban Indian Health Clinic ~ Solo or Group Private Practices State or Federal Correctional Facilities ~ Mobile Units Immigration and Customs Enforcement Health Clinic	
Financial Benefits	For qualifying loans, applicant may receive up to $50,000/year for a two-year commitment (site provides 1:1 match).	
Awards	**Disciplines**	**Number of Participants**
	Physicians, Nurse Practitioners, Physician Assistants, Certified Nurse Midwives, Registered Nurses	Total of three per year
	Health Service Psychologists, Licensed Clinical Social Workers, Licensed Professional Counselors, Psychiatric Nurse Specialists, Marriage and Family Therapists	Total of four per year
	Dentists and Dental Hygienists	Total of two per year
	Pharmacists	Total of two per year
Payments	• 1st payment will be made at the end of the first year of service obligation, by June 30th. • 2nd payment will be made at the end of the second year of service obligation in accordance with applicable laws.	
Service Commitment	Must practice two-years in selected community.	
Application Deadline	Applications are reviewed quarterly.	
Penalty	If the provider breaches this loan repayment contract, the penalty is based on the amounts paid to participants for periods not served/ the number of months not served multiplied by $7,500 and the interest. Participants are considered to be in default if they do not complete the period of obligated service at an eligible site in accordance with their SLRP contract, or otherwise fail to comply with the terms of the contract, even if no monies have yet been disbursed to the participant.	
Contact & Website	Mary Amundson, MA ~ mary.amundson@med.und.edu ~ 701-777-4018 http://www.med.und.edu/family-medicine/workforce.cfm	

BUREAU OF CLINICIAN RECRUITMENT AND SERVICE

NATIONAL HEALTH SERVICE CORPS

NHSC Loan Repayment Program

Apply Today & Get Up to $50,000 in Loan Repayment

The National Health Service Corps (NHSC) Loan Repayment Program (LRP) offers primary care medical, dental, and mental and behavioral health care providers the opportunity to have their student loans repaid, while earning a competitive salary, in exchange for providing health care in urban, rural, or frontier communities with limited access to care.

NHSC LRP participants serve at one of more than 14,000 NHSC-approved sites located in federally designated Health Professional Shortage Areas (HPSAs). A higher HPSA score indicates greater community need, so the NHSC Loan Repayment Program offers two levels of loan repayment awards:

- Up to **$50,000** to primary care providers practicing at an NHSC-approved site with a HPSA score of 14 or above in return for a 2-year full-time commitment. Up to $25,000 in return for a 2-year half-time commitment.
- Up to **$30,000** to primary care providers practicing at an NHSC-approved site with a HPSA score of 13 and below in return for a 2-year full-time commitment. Up to $15,000 in return for a 2-year half-time commitment.

With continued service, all providers may be able to pay off all their student loans.

Visit **NHSC.hrsa.gov** and click on "**loan repayment**" for more information or to apply.

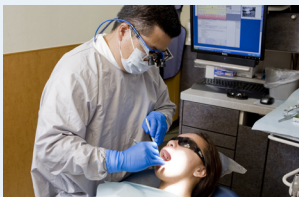
APPLY NOW!

The 2014 NHSC Loan Repayment Program application cycle will be shorter than previous years. All applicants are encouraged to apply early. To apply:

1. Find a job at an NHSC-approved site.
2. Read the Application and Program Guidance at NHSC.hrsa.gov/loanrepayment/applicationprocess, which includes details on eligibility criteria and funding preferences.
3. Complete and submit your online application and supporting documents by visiting NHSC.hrsa.gov and clicking on "loan repayment."

Primary care providers may be eligible for the NHSC Loan Repayment Program if they meet the following criteria:

- U.S. citizen or U.S. national
- Work at an NHSC-approved site
- Licensed in one of the following disciplines:
  - Medicine (MD/DO)
  - Physician Assistant (primary care)
  - Nursing (Nurse Practitioner, Certified Nurse-Midwife, Psychiatric Nurse Specialist)
  - Dentistry (DDS, DMD); Dental Hygienist
  - Mental and Behavioral Health (Health Service Psychologist, Licensed Clinical Social Worker, Licensed Professional Counselor, Marriage and Family Therapist)
- Have unpaid educational loans



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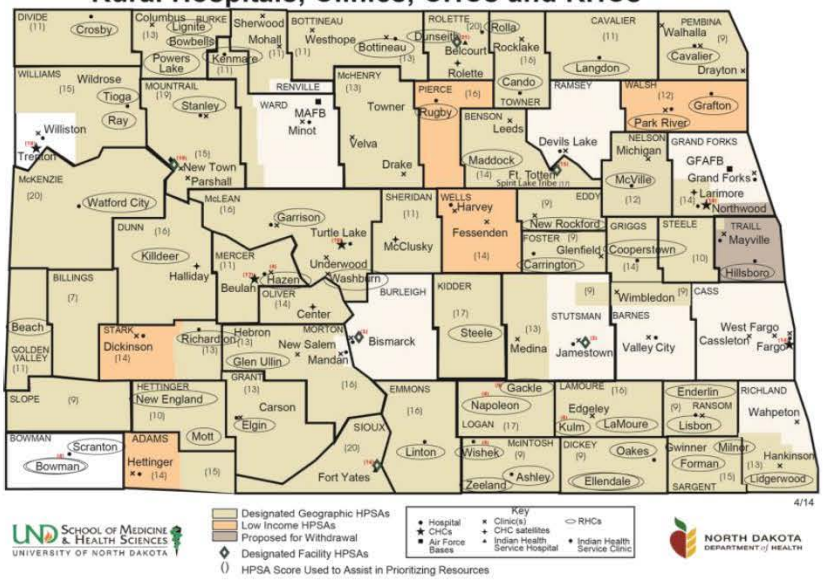
U.S. Department of Health and Human Services
HRSA
Health Resources and Services Administration

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH RESOURCES AND SERVICES ADMINISTRATION

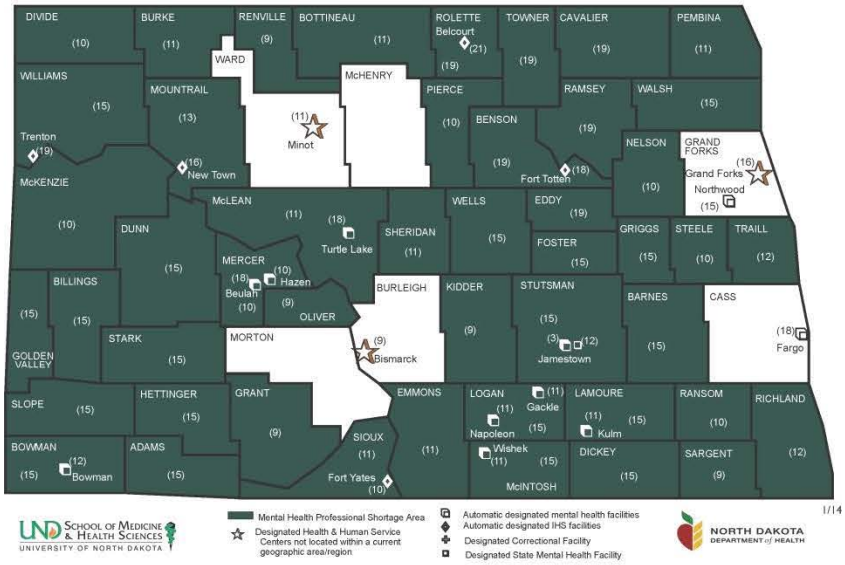
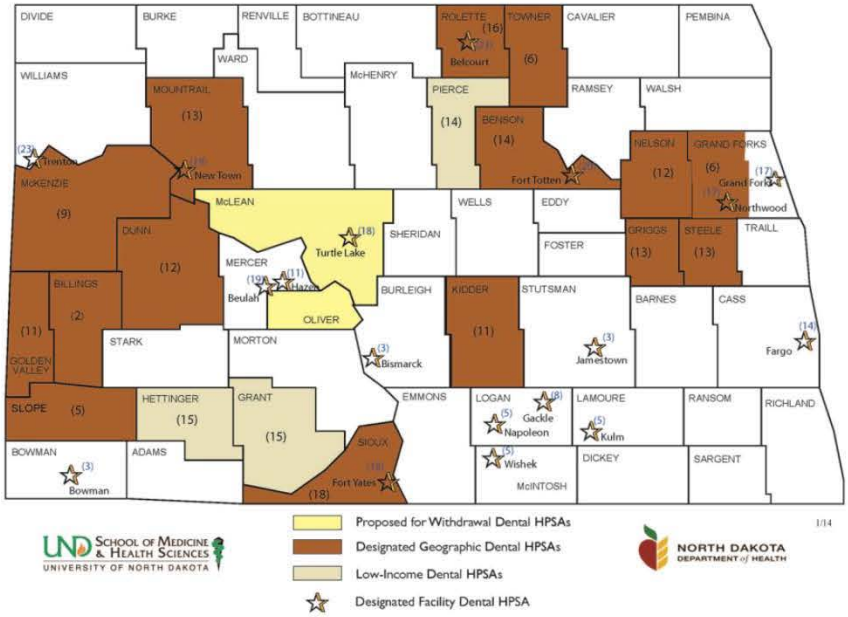
NHSC's mission is to build healthy communities by supporting qualified medical, dental, mental and behavioral health care providers working in areas of the United States with limited access to care.

January 2014

North Dakota Health Professional Shortage Areas
Rural Hospitals, Clinics, CHCs and RHCs



North Dakota Mental Health Professional Shortage Areas



North Dakota Dental Health Professional Shortage Areas