

Testimony
Health Services Committee
Wednesday, April 13, 2016; 2:55 p.m.
North Dakota Department of Health

Good afternoon Chairman Lee and members of the Health Services Committee. My name is Karol Riedman, the former Chief Audit Executive of the Office of Internal Audit at the North Dakota Department of Health (NDDoH). I am here today to present the results of a study requested by the 64th Legislative Assembly regarding health professional assistance programs provided by the State of North Dakota. The full report of the study is included in your materials, but because it is quite lengthy and detailed, I will present the highlights of the study.

House Bill 1036, passed on March 12, 2015, required the state department of health to study health professional assistance programs and report to the legislative management. The study must include the following five points:

1. Identification of state programs to assist health professionals
2. Consideration of whether elements of the identified state programs could be standardized
3. Evaluation of funding and usage of the identified state programs
4. Evaluation of the effectiveness of these identified programs and how these programs could be revised to be more effective
5. Consideration of whether there are gaps or duplication in programs designed to assist health professionals

Later in the Legislative Session, the existing loan repayment programs were revised and combined into the two current programs: the Dentists Loan Repayment Program, which combined three prior dental programs, and the Health Care Professional Student Loan Repayment program, which replaced two prior programs. The Health Care Professional Student Loan Repayment program assists physicians and mid-level practitioners, as well as behavioral health practitioners. These two new programs directly assist health professionals by repaying student loans of licensed, practicing professionals who provide health care to underserved areas or populations.

The study identified four other state programs which provide encouragement for health professionals, but none of them provide direct assistance to health professionals practicing in underserved areas of North Dakota.

- The Department of Commerce Workforce Development Program awards a grant to provide a program encouraging youth to consider health professions.
- The Bank of North Dakota has an Addiction Counselor Internship Loan Program.
- The Professional Student Exchange Program subsidizes out of state tuition for professional programs not available in North Dakota.
- The Department of Human Services Non-Profit Clinic Dental Access Project grants funds to a non-profit clinic; the clinic then awards funds to a provider for the purpose of repaying student loans.

The study then evaluated whether the two loan repayment programs could be standardized. While the programs are already quite similar, several elements are inconsistent between the two, including the amount and timing of award payments, the description of priority and preference in applicant criteria, community match requirements, years of service obligations and penalties for failing to fulfill the contract. If these terms were standardized, the two programs could be simplified and combined into a single state loan repayment program, which would save administrative time and costs, and provide continuity between assistance programs.

The two programs are funded at a similar level; \$720,000 for dentists and \$698,800 for health care professionals in the 2015-17 biennium. Funding budgeted and expended for the last three biennia is presented in Table 1 of the PowerPoint slide handout. The programs are also historically well-utilized, with nearly all positions filled each year, as illustrated in Table 2.

The study evaluated the effectiveness of these programs by considering the following three questions:

1. Have we provided health care/dental professionals in underserved communities?
2. Have those professionals fulfilled their contracts, and stayed in the communities for the required years of service?
3. Have the professionals remained in the community after their commitment was fulfilled?

The answers to these questions are provided in Tables 2, 3 and 4. Table 2 illustrates that in each of the years 2010 – 2014, the open position were filled, which shows that for question 1, “have we provided health care/dental professionals in underserved communities,” the programs are EFFECTIVE.

To answer question two, “have the providers fulfilled their contracts,” we present Table 3, which shows the number of providers since 1993 who did not fulfill their contracts. In total, 89.5 percent of program providers fulfilled their contracts, so the program is judged to be EFFECTIVE.

The third and most crucial question, “have the professionals remained in the underserved community,” is answered by Table 4. The gold columns in the table present the location of professionals up to five years after fulfilling their contract. Most were still located in a rural or underserved area, while others had relocated to a larger ND community, or had moved out of state. The same information is presented in the green columns for professionals who fulfilled their contract more than five years ago. While the numbers and percentages vary significantly among professions and by longevity, the overall average of participants remaining in an underserved area is 61.63 percent, which we considered EFFECTIVE.

Although the programs are effective at this time, the study considered how they could be more effective. Additional funding would provide more positions, which would place more health care professional in our underserved communities. If the program managers and the communities themselves would provide increased communication, encouragement and support to the providers and their families, we believe even more providers would continue to practice in underserved areas.

Finally, the study examined the existence of gaps or duplication in programs designed to assist health professionals. The only gap identified was that some health care professions are not eligible for the loan repayment program. Interest in being added to the list of eligible participants has been expressed by representatives of the optometry, pharmacy, chiropractic and registered nursing programs. Other states in the region allow additional professions in their assistance programs, including nursing instructors, dental hygienists, marriage and family therapists, health care social workers, medical and laboratory technicians, physical, occupational, speech and respiratory therapists, dieticians and paramedics.

The study did not identify any duplications between state programs, with the possible exception of the Department of Human Services Non Profit Dental Access Project, because it also provides student loan repayment for dentists. However, this project funds a grant which is awarded to a non-profit dental clinic. The clinic then selects a candidate for the loan repayment, and the funds awarded are much lower than in the two loan repayment programs we have just discussed.

In summary, the study considered each of the five required topics:

1. Identification of state programs to assist health professionals
The Dentists Loan Repayment Program
The Health Care Professional Student Loan Repayment Program
2. Consideration of whether elements of the identified state programs could be standardized
Yes, if several terms are reconciled
3. Evaluation of funding and usage of the identified state programs
Funding is adequate and comparable between programs
There is high usage, with consistently more applicants than open positions
4. Evaluation of the effectiveness of these identified programs and how these programs could be revised to be more effective
Available positions are filled each year
89.5 percent of participants have fulfilled their contracts
61.63 percent of participants remained in an underserved community

Effectiveness could be increased by providing funding for additional positions, and by providing additional support and encouragement to providers and their families to help retain more providers in underserved areas.
5. Consideration of whether there are gaps or duplication in programs designed to assist health professionals

Gap – additional health professions could be included
Duplication – essentially no duplicated programs.

Finally, House Bill 1036 requested the department of health present recommended legislation as part of the study. At this point, we have two suggestions: standardize all program terms and combine them into a single loan repayment program, and include additional eligible health care professions to the program. These are not official recommendations, as any proposed legislation would require additional study and consideration.

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

North Dakota Health Professionals Assistance Programs

A Study for the North Dakota State Legislature
House Bill No. 1036

March 12, 2015 -- HB 1036 : *The state department of health shall evaluate the state programs to assist health professionals. The study must include:*

1. Identification of state programs to assist health professionals
2. Consideration of whether elements of the identified state programs could be standardized
3. Evaluation of funding and usage of the identified state programs
4. Evaluation of the effectiveness of these identified programs and how the programs could be revised to be more effective
5. Consideration of whether there are gaps or duplication in programs designed to assist health professionals

Identification of state programs to assist health professionals

- Dentists Loan Repayment Program
 - NDCC 43-28.1 : Revised and updated by SB 2205
 - Combined three prior dental loan programs into one
- Health Care Professional Student Loan Repayment Program
 - NDCC 43-12.3; repealed Ch. 43-12.2 and 43-17.2
 - Replaced two prior programs
 - Physician (MD) Student Loan Repayment Program
 - Mid-Level Practitioner Student Loan Repayment Program
 - Includes physicians and Mid-Level practitioners, and added behavioral health practitioners

✓ These two are direct assistance programs to health professionals.

Identification of state programs to assist health professionals

- Department of Commerce Workforce Development Program
 - Awards a grant to encourage youth to consider health professions
 - Bank of North Dakota Addiction Counselor Internship Loan Program
 - Professional Student Exchange Program
 - Subsidizes out of state tuition for professional programs not available in North Dakota.
 - Department of Human Services Non-Profit Clinic Dental Access Project
 - Funds granted to a non-profit dental clinic; clinic awards funds to a provider for the purpose of repaying student loans.
- ✓ These are not direct assistance programs to health professionals

Consideration of whether elements of the identified state programs could be standardized

- Several Elements of Dentists Loan Repayment Programs and Health Care Professional Student Loan Repayment Program differ
 - Would need to be reconciled before standardization
 - Amount and timing of award payments
 - Description of priority and preference in applicant criteria
 - Community match requirements
 - Years of service obligation
 - Penalty for failing to fulfill the contract
- Simplifying and combining these programs into a single State Loan Repayment Program
 - Save administrative time and costs
 - Provide continuity between assistance programs for various healthcare professions

Evaluation of funding and usage

- Funding

- 2015-17: Dentists = \$720,000
- 2015-17: Health Care Professionals = \$698,800

- Usage

- Nearly all positions are filled each year
- Applications and awards vary

Evaluation of Funding and Usage

Funding for Loan Repayment Programs by Discipline

Table 1

Biennium	Dentists	Physicians/Health Care Professionals
2011-13		
Budgeted	\$470,000	\$420,000
Expended	\$390,000	\$291,789
2013-15		
Budgeted	\$725,000	\$576,788
Expended	\$602,077	\$488,088
2015-17		
Budgeted	\$720,000	\$698,800
Awarded to date	\$120,000	\$255,000
Expended to date	\$60,000	\$0

Table 2

Applications vs. Awards

	Dentists	Physicians	Mid-Level Practitioners
2010 Applications	8	4	3
Awards	3	4	2
2011 Applications	8	3	3
Awards	3	3	3
2012 Applications	8	4	0
Awards	3	3	0
2013 Applications	8	4	0
Awards	3	4	0
2014 Applications	5	12	4
Awards	3	7	4

Evaluation of effectiveness

- Have we provided health care/dental professionals in underserved communities?

Effective

Evaluation of effectiveness

- Have we provided health care/dental professionals in underserved communities? *Effective*
- Have those professionals fulfilled their contracts, and stayed in the communities for the required years of service?

Evaluation of effectiveness – Providers who did not fulfill their contract

Years Beginning Loan Repayment Program	1993-1999	2000-2004	2005-2009	2010-2015	Total all years
Physicians	1	1	1	0	3
Mid-Level Practitioners	0	0	0	0	0
Dentists	0	0	0	6	6
Total	1	1	1	6	9

Evaluation of effectiveness

- Have we provided health care/dental professionals in underserved communities? *Effective*
- Have those professionals fulfilled their contracts, and stayed in the communities for the required years of service?

Effective

Evaluation of effectiveness

- Have we provided health care/dental professionals in underserved communities? *Effective*
- Have those professionals fulfilled their contracts, and stayed in the communities for the required years of service? *Effective*
- Have the professionals remained in the community after their commitment was fulfilled?

Evaluation of effectiveness – current location of providers

	Physicians		Mid-Level Practitioners		Dentists	
Years since completing the program	Contract ended 0-5 years ago	Contract ended more than 5 years ago	Contract ended 0-5 years ago	Contract ended more than 5 years ago	Contract ended 0-5 years ago	Contract ended more than 5 years ago
Rural or underserved area	13	9	3	12	7	9
Larger ND community	1	9	0	1	4	10
Out of State	3	2	2	0	1	0
Total	17	20	5	13	12	19
Percent remaining in underserved areas	76.47%	45.00%	60.00%	92.31%	58.33%	47.37%

Evaluation of effectiveness

- Have we provided health care/dental professionals in underserved communities? *Effective*
- Have those professionals fulfilled their contracts, and stayed in the communities for the required years of service? *Effective*
- Have the professionals remained in the community after their commitment was fulfilled?

Effective

Evaluation of effectiveness

How could the programs be revised to be more effective?

- 1. Provide additional funding for more available positions*
- 2. Provide communication, encouragement and support to the providers and their families from both the program managers and the communities to help retain more providers in underserved areas.*

Consideration of Gaps or Duplications

- Possible Gap = other health care professions which could be eligible:
 - Optometrists
 - Pharmacists
 - Chiropractors
 - Registered Nurses
 - Additional professions included in other states :
 - Nursing instructors
 - Dental hygienists
 - Marriage and family therapists, health care social workers
 - Medical and laboratory technicians
 - Physical, occupational, speech, and respiratory therapists
 - Dieticians
 - Paramedics
- Possible Duplications found = NONE

Summary of Study

1. Identification of state programs to assist health professionals:

Dentists Loan Repayment Program

Health Care Professional Student Loan Repayment Program

2. Consideration of whether elements of the identified state programs could be standardized:

Yes, if several terms are reconciled

3. Evaluation of funding and usage of the identified state programs;

Funding is adequate and comparable between programs

High usage; consistently more applicants than open positions

Summary of Study

4. Evaluation of the effectiveness of these identified programs and how the programs could be revised to be more effective;

Available positions are filled each year

89.5% of participants have fulfilled their contracts

61.63% of participants remained in an underserved community

**Provide additional funding for more available positions*

**Provide encouragement and support to providers and families to help retain more providers in underserved areas.*

5. Consideration of whether there are gaps or duplication in programs designed to assist health professionals.

Gap: Additional health professions could be included

Duplication: Essentially no duplicated programs

Suggestions for Legislation

- 1. Standardize all program terms and combine into one program*
- 2. Expand the program to include additional eligible health care professions*