

The FY19 Governor's Budget Proposal eliminates Vermont's Educational Loan Repayment (ELR) for Health Care Professionals

We urge the VT Legislature to restore funding for this important health workforce development program.

This program is effective, efficient, innovative, and accountable.

FY18 funding for this program is \$667,000.

Funded via Global Commitment (54% federal, 46% state).

- ❑ It would take \$306,820 of state funds to be matched by \$360,180 in federal funds to total \$667,000 and return the program to FY18 level funding.

Community and Employer “Match” Funds Raised by AHEC

2012-2017

Actual Match funds raised by AHEC and disbursed	\$3,284,839
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2018

Match funds pledged and pending	\$ 862,550
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The significant work that AHEC does to raise and administer these funds is a crucial part of the VT Educational Loan Repayment Program’s success. It is by instilling a shared commitment, and by leveraging pooled resources, that AHEC and this program are making a difference in health workforce recruitment and retention, and educational debt reduction.

Workforce is the Foundation of our Health Care System

The workforce is the foundation to health care access and delivery of care when and where it is needed for all citizens.

Educational Loan Repayment is an access to care program.



ELR and Competing Nationally

- Range: \$16,000+/year
- Typical ~\$25,000-\$30,000/year
- As high as ~\$70,000/year (South Dakota)
- MA--\$25,000/yr, ME—up to \$25,000/yr, NH--\$25,000/yr, NY—up to \$30,000/yr, NY—Champlain Valley Physicians Hospital—up to \$40,000/year for Family Medicine
- **Vermont—at ~\$20,000/year (\$10,000 state + \$10,000 match, or could be up to \$20,000/year state + match) is at the lower end of competitive, but “in the game”**
 - **“In the game” because of match funds raised by AHEC and partnership with practices**

Broad support for the program

- Supported regardless of practice business model
- CEOs, Recruiters/Human Resources, Professional Societies, Practitioners
- Expected by students/residents: the pipeline and next generation health professionals

ELR and Competing Nationally



A study published by Pathman et al of the Sheps Center in NC showed 93 programs in 2010, an increase from 87 in 2007. “The study shows that states recognize the importance of loan repayment and other incentives and were willing to create more programs even during the early, toughest years of the recent recession when states’ budgets were stretched thin.” All states except Florida, Hawaii, and Mississippi offered at least one program.

JAMA November 13, 2013, Volume 310, Number 18

2018 Update: Hawaii now has a program.

Vermont's Educational Loan Repayment Program for Health Care Professionals

Primary Care Practitioners (MD, DO, APRN, PA, CNM)

- ✓ Family Medicine
- ✓ Internal Medicine/Adult Primary Care
- ✓ Pediatrics
- ✓ Obstetrics/Gynecology

And

- ✓ Psychiatry
- ✓ Geriatrics

Dentists (DDS/DMD)

- ✓ All specialties, including oral surgeons

Nurses (LPN, RN)

- ✓ Psychiatric
- ✓ Nursing Homes
- ✓ Home Health
- ✓ Public Health/State of Vermont
- ✓ Primary Care/FQHCs

2012-2017 Educational Loan Repayment Awards (not unique people)

Awards Disbursed by Program and Type				
	Job Seeker	Retention	Recruitment	Total
Primary Care:	29	382	21	432
Dental:	9	98	2	109
Nursing:	0	326	0	326
Total:	38	806	23	867

Minimum award amounts established in 2014, resulting in larger awards to fewer recipients. Larger awards were necessary to enhance competitiveness, influence employment decisions, and reduce debt.

Awards Disbursed by County and Program				
	Primary Care	Dental	Nursing	Total
Addison	31	20	5	56
Bennington	15	2	11	28
Caledonia	15	5	22	42
Chittenden	86	34	92	212
Essex	5	3	0	8
Franklin	37	10	23	70
Grand Isle	3	0	0	3
Lamoille	18	6	7	31
Orange	32	0	15	47
Orleans	25	4	20	49
Rutland	58	9	42	109
Washington	51	14	34	99
Windham	28	1	11	40
Windsor	28	1	15	44
Out-of-State	0	0	29	29
Total	432	109	326	867

Loan repayment awards purchase time-dependent service commitments. They are not “rewards” or “gifts.”

2012-2017 Educational Loan Repayment Awards

Worksite Attributes* (not mutually exclusive)	Awards Disbursed	Percentage of Total Awards Disbursed
Total #	867	
FQHC	226	26%
Primary Care	152	35%
Dental	46	42%
Nursing	28	9%
RHC	25	3%
Primary Care	24	6%
Dental	0	0%
Nursing	1	0%
CAH	60	7%
Primary Care	22	5%
Dental	0	0%
Nursing	38	12%
Rural	655	76%
Primary Care	346	80%
Dental	75	69%
Nursing	234	72%
MUC	263	30%
Primary Care	143	33%
Dental	58	53%
Nursing	62	19%

*For Glossary of terms and abbreviations, see last page.

	Rural and/or worksite has a federal designation	% to Total Awards	Urban and/or no federal designation (workforce needs still exist and disadvantaged populations are served by these sites)	% to Total Awards	Total
Primary Care	389	90%	43	10%	432
Dental	86	79%	23	21%	109
Nursing	250	77%	76	23%	326
	725	84%	142	16%	867



Awards have been directed to the highest need areas of Vermont. The program maintains a state-wide view (all counties) of access to care for all Vermonters, with an emphasis on disadvantaged populations, and rural and underserved areas.

Educational Loan Repayment Awards Psychiatry—Physicians 2000 - 2017

# awards made:	154
# of unique award recipients:	54 (0 contract breaches during service obligation—100% retention)
# of recipients practicing in VT*:	36 (67%, long-term/residual retention)
# physicians award recipients placed by AHEC Physician Placement Program:	9 psychiatrists

*source: AHEC data, January 2018

AHEC Physician Placements and Ed Debt Reduction

FY16 18 physicians placed (13 in primary care and 5 in specialty care)

13/18 (72%) placed *received educational debt reduction assistance via AHEC*

FY15: 15 physicians placed (7 in primary care and 8 in specialty care)

11/15 (73%) placed *received educational debt reduction assistance via AHEC*

FY14: 20 physicians placed (12 in primary care and 8 in specialty care)

14/20 (70%) placed *received educational debt reduction assistance via AHEC*

FY13: 21 physicians placed (12 in primary Care and 9 in specialty care)

17/21 (81%) placed *received educational debt reduction assistance via AHEC*

FY12: 23 physicians placed (13 in primary care and 10 in specialty care)

17/23 (74%) placed *received educational debt reduction assistance via AHEC*

ELR Facts

Many health professionals incur crushing educational debt.

2018	Allocation	Minimum annual state award (+ matching funds)	Maximum annual state award (+ matching funds)	# Applications received	Range of CURRENT debt of applicants (lowest to highest)	Total CURRENT Debt of all applicants	Average (mean) Debt of applicants (2)
Primary Care (1)	\$442,111	\$10,000	\$20,000	81	\$13,619-\$420,500	\$9,006,618	\$136,463
Dentists	\$125,000	\$10,000	\$20,000	11	\$82,752-\$816,522	\$2,754,293	\$275,429
Nurses	\$100,000	\$5,000	\$10,000	49	\$5,624-\$110,300	\$1,642,346	\$33,517
Total	\$667,111			141	\$5,624-\$816,522	\$13,403,257	\$107,226

(1) Allocation of \$442,111 Primary Care, per grant from VDH
 Northern VT Counties \$210,600
 Chittenden County \$60,000
 Southern VT Counties \$171,511

(2) Removes unknown persons/recruitment applications from this calculation because debt is unknown (\$0) at this time
 From 2017 to 2018, the average (mean) debt of applicants decreased by \$25,793 (from \$133,019 to \$107,226).

2017	Allocation	Minimum annual state award (+ matching funds)	Maximum annual state award (+ matching funds)	# Applications received	Range of CURRENT debt of applicants (lowest to highest)	Total CURRENT Debt of all applicants	Average (mean) Debt of applicants (3)
Primary Care	\$442,111	\$10,000	\$20,000	115	\$12,433-\$658,032	\$8,663,782	\$133,289
Dentists	\$125,000	\$10,000	\$20,000	22	\$43,390-\$594,157	\$5,308,934	\$279,418
Nurses	\$100,000	\$5,000	\$10,000	28	\$5,094-\$80,000	\$925,393	\$33,050
Total	\$667,111			165	\$5,094-\$658,032	\$14,898,109	\$133,019

(3) Removes unknown persons/recruitment applications from this calculation because debt is unknown (\$0) at this time
 From 2016 to 2017, the average (mean) debt of applicants increased by \$17,747 (from \$115,272 to \$133,019).

From 2015 to 2016, the average (mean) debt of applicants increased by \$18,283 (from \$96,989 to \$115,272).
 From 2014 to 2015, the average (mean) debt of applicants increased by \$17,928 (from \$79,061 to \$96,989).

VT Physician Openings Posted with AHEC (February 9, 2018):

105 physician openings in 27 different specialties in the state

42 are in Primary Care

15 – Family Medicine

14 – Family Medicine or Internal Medicine (willing to hire either)

6 – Internal Medicine

2 – Obstetrics/Gynecology

5 – Pediatrics

63 are in Specialty Care (of the 70, 11 are Psychiatry and 6 are hospitalist)

County breakdown:

Addison	4
Bennington	6
Caledonia	7
Chittenden	21
Essex	2
Franklin	12
Grand Isle	0
Lamoille	4
Orange	4
Orleans	2
Rutland	17
Washington	6
Windham	8
Windsor	12
Total	105

Of the 105 openings, by federal designation or facility type:

FQHC	18
RHC	3
Critical Access Hospital	14
Community Hospital	35
Academic Medical Center	19
Private Practice	6
Mental Health Agency	0
Other Hospitals*	11

*Includes: the VA Hospital and the Brattleboro Retreat

VT AHEC
Network:
Experienced
Leaders in
Health
Workforce
Development

The VT AHEC Network is committed to investing its resources in health workforce development.

We need tools, committed partners, and teamwork.

Educational Loan Repayment is one tool. It is an important tool.

VT's Educational Loan Repayment Program as administered by AHEC works and is a best-value program.

Is the state of Vermont committed to health workforce development?

We urge the VT Legislature to restore funding and consider additional investment in educational loan repayment and health workforce development programs.

Contact Information

University of Vermont
Larner College of Medicine

Area Health Education Centers
(AHEC) Program

1 South Prospect Street
Arnold 5
Burlington, VT

802-656-2179

vtahec.org

AHEC's Purpose: Healthcare Workforce Development

For information about the Vermont Educational Loan Repayment Programs and other health workforce development initiatives, contact Liz Cote at elizabeth.cote@uvm.edu or 802-656-0030.

- ✓ *Workforce Diversity, Distribution, and Practice Transformation*
- ✓ *Connecting students to careers, professionals to communities, and communities to better health*

Glossary

Federal Designations (www.hrsa.gov):

Critical Access Hospital (CAH): A hospital certified under a set of Medicare Conditions of Participation. Some (not a comprehensive list) of the requirements for CAH certification include having no more than 25 inpatient beds; and being located in a rural area.

Federally Qualified Health Center (FQHC): Health centers receiving grants under Section 330 of the Public Health Service Act (PHS). FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors.

Rural Health Clinic (RHC): Health centers must be in a non-urbanized area, as defined by the U.S. Census Bureau; and be in an area currently designated by the Health Resources and Services Administration as one of the following types of federally designated or certified shortage areas:

- Primary Care Geographic Health Professional Shortage Area (HPSA) under Section 332(a)(1)(A) of the Public Health Service (PHS) Act;
- Primary Care Population-Group HPSA under Section 332(a)(1)(B) of the PHS Act;
- Medically Underserved Area under Section 330(b)(3) of the PHS Act; or
- Governor-designated and Secretary-certified shortage area under Section 6213(c) of the Omnibus Budget Reconciliation Act of 1989.

Medical Underserved Community (MUC): A geographic location or population of individuals that is eligible for designation by a state and/or the federal government as a health professions shortage area, medically underserved area (MUA), and/or medically underserved population (MUP). Training settings are not mutually exclusive.