



**Testimony Before the
Joint Ways and Means Committee Subcommittee on Education regarding SB 5029
Presented by Dr. William Pierce
on behalf of the Oregon Medical Association
April 10, 2013**

Co-chairs Komp and Monroe, members of the committee, thank you for allowing me to testify today. My name is Dr. William C "Bud" Pierce, and I am the President of the Oregon Medical Association. I am a medical oncologist and I have practiced in Salem for the past 19 years.

The OMA urges your support for full funding of the School of Medicine, the Office of Rural Health and the Area Health Education Centers (AHECs) at Oregon Health & Science University (OHSU). We understand that resources are tight, but cuts to these programs will negatively impact health care education programs that are vital to Oregonians and will have a ripple effect that further exacerbates our state's workforce shortage.

OHSU ranks 10th in the nation in terms of retaining medical students (52% of OHSU residents and fellows remain in Oregon to practice) and its programs in primary care, family medicine and rural medicine, ranked among the best in the nation, continues to attract students from all over the nation. Oregon's investment in medical education has allowed Oregon to maintain a higher retention rate than the national average and to slowly grow the physician workforce. Without the continued investment from the state to maintain these programs, Oregon's physician workforce is at risk- both to be trained in Oregon and to remain in Oregon.

Investing in tomorrow's medical doctors enables the OHSU School of Medicine to keep tuition rates steady and helps lower overall student debt. Currently, in-state tuition for first year medical students at OHSU is among the highest in the nation and students are paying 66 percent more than they did 10 years ago (\$30,000 in 2011-2012 versus \$20,001 in 2002-2003). Oregon ranks 49th in the nation in terms of state support received for their educational mission. Making medical school education attainable to Oregon residents and attracting students from other states is critical to growing Oregon's physician workforce and ensuring health care access to all Oregonians.

According to the Association of American Medical Colleges 2012 Graduation Questionnaire, medical students face an average medical school debt of \$157,453. Nearly 95 percent of OHSU graduates have debt, and pressure to pay off that debt discourages physicians from practicing in rural and underserved areas where reimbursement rates are lower. Additionally, students with large debts may be less likely to pursue careers in primary care or family medicine. Instead, they may choose higher paying specialties or ones that provide more family time. SB 2, which is currently working its way through the Senate, is a complimentary bill that would provide an affordable avenue for Oregon students to pursue a career in medicine at OHSU that commits them to practicing in rural Oregon for at least one year longer than the number of years spent

earning their degree. Incentivizing medical careers for Oregon students ensures that Oregon stays competitive and grows its rural health care workforce.

The burden of debt extends beyond the medical student and will continue to have a “domino” effect on the entire health care system. Beyond a decrease in primary care, we will see an unacceptable lack of diversity in the workforce. The high cost of tuition may prevent students from low income/minority populations from attending medical school. Physician diversity is essential to address the needs of growing multicultural patient populations.

Additionally, as you know, Oregon faces a looming demographic shift that has profound implications for society and for the health care workforce. The state’s population of individuals 65 years and older was estimated at nearly 424,000 in 2002 and is projected to increase to more than 936,000 by 2025. The aging population will place greater demands on the health care system at the same time that many health care workers are entering retirement age.

At a time when we face looming provider shortages as a result of an aging society and an aging health care workforce – as well as increasing numbers of uninsured Oregonians, and a declining ability to meet the health care needs of low-income and underserved citizens – we must protect our health care education infrastructure. We cannot afford to waver in our state’s commitment to health care education.

I would like to thank you once again for the opportunity to address the committee regarding this very important topic and I’m happy to answer any questions.

The Oregon Medical Association is an organization of over 8,100 physicians, physician assistants, and medical students organized to serve and support physicians in their efforts to improve the health of Oregonians. Additional information can be found at www.theOMA.org.