

June 6, 2013

TO: The Honorable Alan Bates, Co- Chair  
The Honorable Nancy Nathanson, Co-Chair  
Ways and Means Human Services Subcommittee

FROM: Lisa Dodson, MD  
Director, Oregon Area Health Education Center  
Associate Professor of Family Medicine, OHSU  
Secretary, Oregon Academy of Family Physicians Board of Directors  
Oregon Rural Health Association Board of Directors

**Subject: House Bill 2858**

Co-Chair Bates, Co-Chair Nathanson and members of the committee,

My name is Lisa Grill Dodson. I am testifying today in my role as the Vice President of the Board of Directors of the Oregon Academy of Family Physicians and Director of the Oregon Area Health Education Center and the Oregon Rural Scholars Program **in favor of HB 2858**. OHSU also endorses this bill.

Meaningful access to health care in a reformed health care system will be impossible to achieve without an adequate supply of primary care providers, who act as points of entry into the health care system. There is without a doubt a shortage of physicians, nurses, physician assistants and other essential health care workers in rural and underserved communities throughout Oregon. The loan forgiveness program functions as an **effective strategy for recruiting Oregon students to attend Oregon universities, and remain in Oregon for practice**. This program is complementary to other "grow your own" pipeline strategies in effect by Oregon AHEC and others, and specifically incentivizes Oregon students.

Oregon does not educate enough health care providers in many key professions and is therefore a net importer of physicians and many other health professionals. Recruitment of these health professionals is now occurring in a national and even international marketplace, and **we must be competitive to secure the workforce needed to manage our healthcare transformation**. The data from a recent study by the Oregon Healthcare Workforce Institute indicates a loss of 313 primary care providers (7%) in the biennium ending December 211, as reported by Oregon's healthcare licensing boards <http://www.oregonhwi.org/resources/documents/Physicians2012ProfileBrief.pdf>.

This loss is expected to accelerate as the retirement of "baby boomer" health care workers accelerates in this decade, further exacerbating the recruitment problem. The reasons for this worsening shortage are numerous, including the accelerating retirement of an aging physician and nursing workforce, changes in medical school admissions and medical training, lifestyle choices and **rapidly rising student debt**.

The indebtedness of students during their training programs is reaching crisis proportions. Tuition costs at most Oregon training institutions are among the highest in the country. **OHSU medical students are graduating with a median debt medical school debt of more than \$170,000, with at least 10% of students in debt for more than \$250,000, not including debt from undergraduate or other education**. This level of indebtedness is forcing students to

reconsider commitment to training in primary care, and to practicing in rural and underserved communities where their pay is substantially less. Regardless of their level of commitment, such training and practice becomes unfeasible when debt levels surpass the ability to reasonably repay them.

The current level of indebtedness threatens the social mission of our medical education system, undermines health reform efforts, and is counter to the increasing need for the robust primary care workforce needed to control medical costs and ensure access for all Oregonians. As you will see from the examples provided at the end of this testimony, **students graduating with current levels of indebtedness cannot reasonably be expected to manage their debt with the salaries expected for primary care physicians.** We have crossed the threshold where a student's good intentions are overcome by the reality of a life of indebtedness.

Students do not need to graduate debt free in order to enter primary care disciplines, and enter practices that care for rural and other underserved populations, but they do **need to have mechanisms that allow them to reduce their debt burden** to levels that allow them to make these choices. Students are increasingly finding that, due to their debt, they must choose higher paying, non-primary care disciplines that do not allow them to practice in smaller communities, or provide primary care services.

In the 2011 session, the legislature appropriated \$525,000 for Oregon's first state sponsored loan forgiveness program. In the last biennium this funding supported **10 students in rural training tracks, including MD, DNP and PA students.** Three programs currently qualify: OHSU MD, OHSU DNP and Pacific U PA. We anticipate the imminent development of a rural track at Western University COMP NW in Lebanon, and the Physician Assistant program at OHSU.

With the assistance of the Rural Loan Forgiveness program, each of these students may save as much as \$50,000-\$100,000 on interest alone, reduce their monthly loan payments by hundreds or even thousands of dollars, pay their loans off more than 10 years earlier, and be able to **reinvest the savings into their Oregon communities.** Even more importantly, it will allow them these students the **opportunity to choose primary care careers** and serve the primary care needs of their rural communities.

Re-funding the Rural Loan Forgiveness program is a **smart investment in our students, our communities, our economy and our healthcare system.** It provides an upfront benefit that significantly reduces loan payment costs and length of indebtedness, allows students to consider primary care careers, and enhances the social mission of medical education. I encourage you to continue to fund this valuable and cost effective program.

Please do not hesitate to contact me if I can provide additional information or be of any additional assistance to you.

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# Profile: Oregon's Physician Workforce – 2012

## Quick Facts

The total number of active licensed physicians decreased by 2,285 between 2010 and 2012 while the number of active physicians reporting an Oregon practice address dropped by 313.

Two-thirds of Oregon's 36 counties experienced a reduction in the number of practicing physicians.

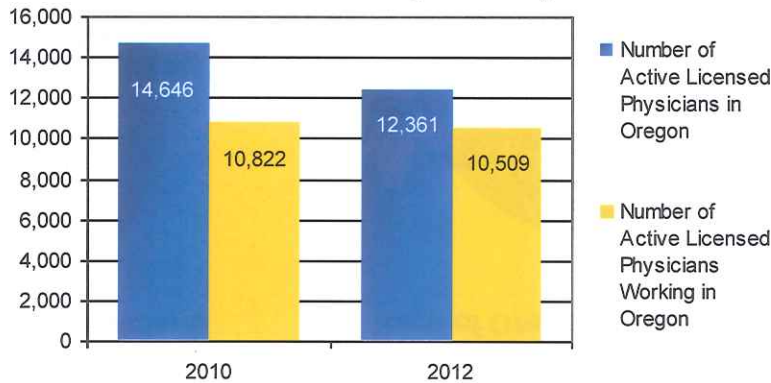
Between 2010 and 2012, there was a 7.8% drop (or -320) in the number of primary care physicians identifying a practice address in Oregon.

The average age of Oregon's physicians is 51 years. In 2010, 36% of the physician workforce was 55 years of age or older and in 2012, 39% were 55 years or older.

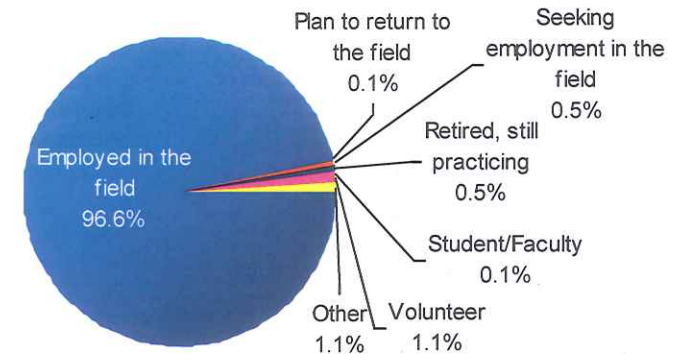
The percentage of females in Oregon's physician workforce increased from 31% in 2010 to 34% in 2012.

In 2012, 6% of Oregon's physicians reported plans to reduce practice hours, move out-of-state, or retire within in the next two years, compared to 5% who reported similar plans in 2010.

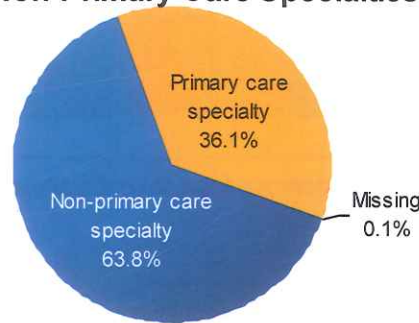
Count of Oregon's Physicians



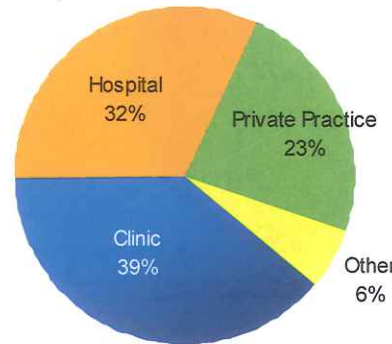
Employment Status



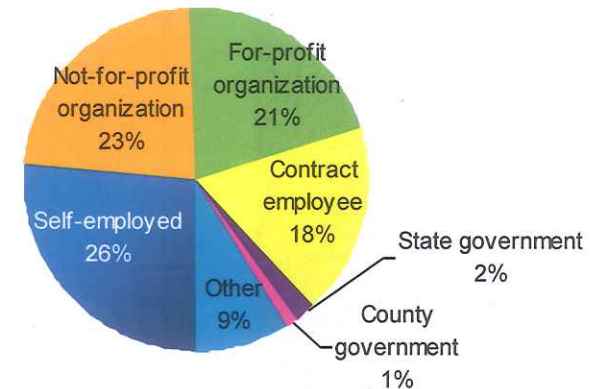
Primary Care Compared to Non-Primary Care Specialties



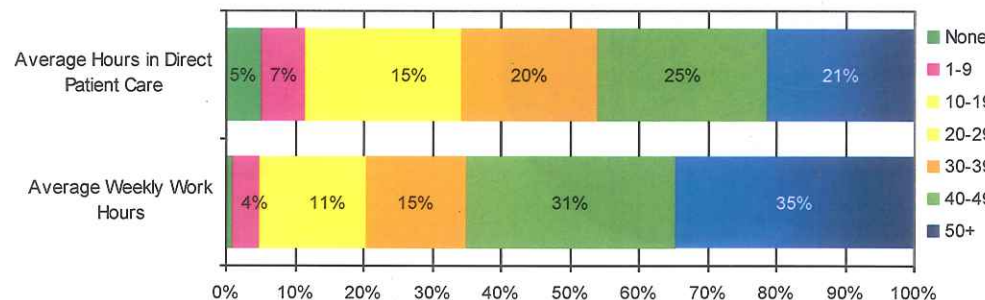
Work Setting



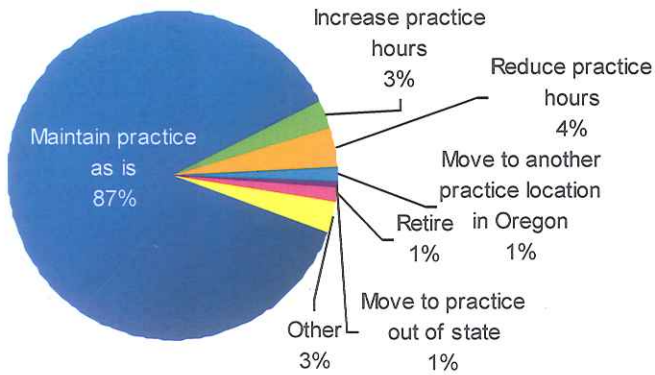
Form of Employment



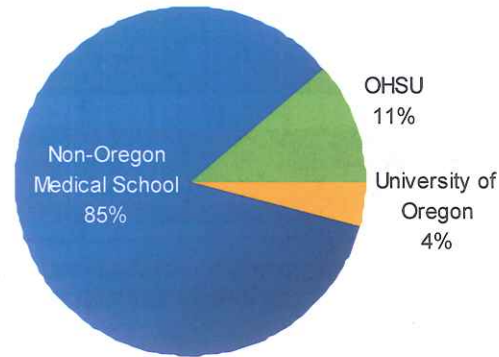
Average Weekly Work Hours Compared to Average Weekly Hours in Direct Patient Care Activities



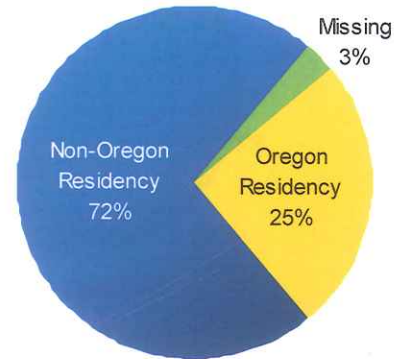
### Future Practice Plans in the Next Two Years



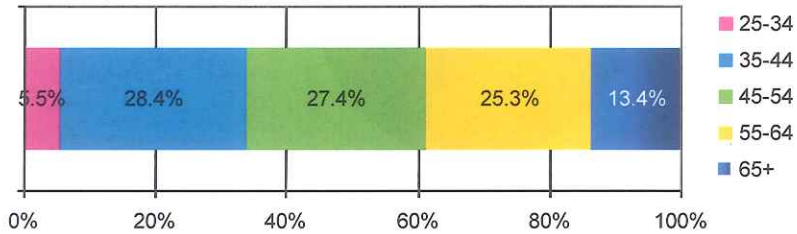
### Medical School



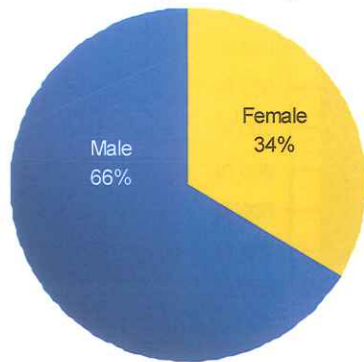
### Residency Location



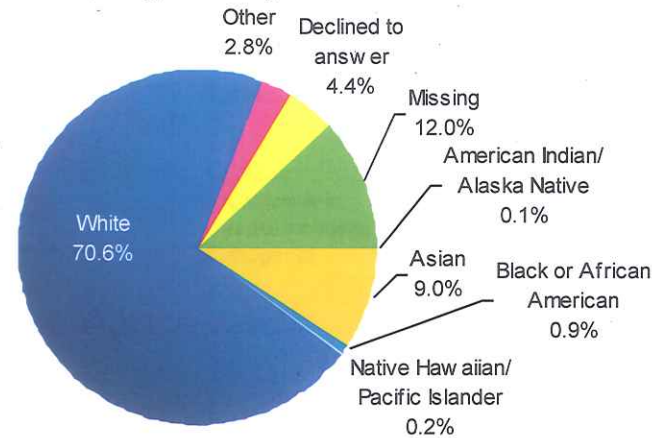
### Age Range of Oregon's Physicians



### Gender of Oregon's Physicians



### Race of Oregon's Physicians



Data Sources:

Oregon Medical Board Physician Licensing Database, February 27, 2012.

Oregon Health Professions: Occupational and County Profiles (February 2013). Available at <http://oregonhwi.org/resources/documents/2012ProfilesReportFINAL1.pdf>.

Oregon Health Professions: Occupational and County Profiles (April 2011). Available at <http://oregonhwi.org/resources/documents/Final.2010.Oregon.Health.Profession.Profiles.pdf>.

Additional information on Oregon's physician workforce is available from the Oregon Healthcare Workforce Institute at [www.oregonhwi.org](http://www.oregonhwi.org)

Loan repayment examples (from loan calculator at [www.finaid.org](http://www.finaid.org)) based on current 6.8% interest for federally insured student loans

Debt	Term	Monthly payment	Cumulative payment	Total Interest	Salary needed
250,000	10 yr	2,877	345,241	95,240	345,241
250,000	20 yr	1,908	458,003	208,003	229,002
<i>With Loan forgiveness of \$60,000 (2 years x \$30,000)</i>					
190,000	10 yr	2,187	262,383	72,383	262,384
190,000	20 yr	1,450	348,081	158,081	174,041
<i>Savings due to \$60,000 loan forgiveness</i>		10 yr	82,858	22,857	
		20 yr	109,922	49,922	

Medical specialty salary range estimates (source: Merritt Hawkins, 2012 <http://mdsalaries.com/2013/03/21/key-findings-from-merritt-hawkins-2012-physician-survey/>)

Specialty	Low	Average	High
<b>Primary Care</b>			
Family Medicine	120,000	189,000	300,000
Pediatrics	130,000	189,000	220,000
Internal Medicine	150,000	203,000	345,000
<b>Specialty Care</b>			
Cardiology (invasive)	400,000	512,000	650,000
Dermatology	210,000	364,000	500,000
Orthopedic surgery	400,000	519,000	750,000

Physician economic contribution (source: Oregon Healthcare Workforce Institute <http://www.oregonhwi.org/resources/documents/2013EconomicContributionsOfPhysicians85x11.pdf>)

- At the county level, Oregon physicians contribute (per physician)
  - 11-52 jobs
  - \$700,000-2.9 million to GDP
  - \$60,000 to \$220,000 in state and local taxes



**Loan Repayment/Forgiveness and Scholarship Programs**

[Home](#)

**Welcome to Loan Repayment/Forgiveness Scholarship Programs**

Welcome to the State and Federal Repayment, Loan and Scholarship data base. This searchable data base provides detailed information about many of the state and federal programs available to medical and other health professions students.

Please note this compilation of listings is not exhaustive; your medical school advisor or financial aid advisor may have information regarding additional resources that are not listed here.

Key word search

**Total Number of All Programs : 80**

Program	State/Other	Designation	Type
	<input type="button" value="All State/Other"/>	<input type="button" value="All Designation"/>	<input type="button" value="All Type"/>
Allied Health Loan-for-Service Program	New Mexico	State	Loan Program
Arizona Loan Repayment Program	Arizona		Repayment
Arizona Rural Private Primary Care Provider Loan Repayment Program	Arizona	State	Repayment
Board of Medical Scholarship Awards	Alabama		Scholarship
Community Match Rural Physician Recruitment Program	Arkansas	State	Repayment
Community Practitioner Program	North Carolina	State	Scholarship
Delaware State Loan Repayment Program	Delaware	Federal/State	Repayment
Doctors Across New York	New York	State	Repayment
Doctors for Maine's Future Scholarship	Maine		Scholarship
Dr. James L. Hutchinson & Evelyn Ribbs Hutchinson Medical School Scholarship	California	State	Scholarship
Family Practice Resident Rural Scholarship Program	Oklahoma	State	Scholarship
Georgia Physician Loan Repayment Program	Georgia	State	Repayment
Health Access Incentive Program: Incentive Grant: Mid-Levels	Tennessee	State	Repayment
Health Access Incentive Program: Incentive Grant: Physicians	Tennessee	State	Repayment
Health Professional Loan Repayment	Missouri	Federal/State	Repayment
Health Professional Loan Repayment Program (HPLPP)	New Mexico	Federal/State	Repayment
Health Professional Recruitment Program (HPRP)	Iowa	State	Forgiveness
Illinois/National Health Service Corps Loan Repayment Program	Illinois	Federal/State	Repayment
Indian Health Service Loan Repayment Program	Maryland		Repayment
Indian Health Service Scholarship Program	Maryland		Scholarship
Indiana Primary Care Scholarship Program (IPCSP)	Indiana	State	Scholarship
Iowa PRIMECARRE Loan Repayment Program	Iowa	Federal/State	Repayment
Kansas Bridging Plan	Kansas	State	Forgiveness
Kansas State Loan Repayment Program	Kansas	State	Repayment
Kentucky State Loan Repayment Program	Kentucky	Federal/State	Repayment
Loan Assistance Repayment Program-Primary Care Services	Maryland	State	Repayment
Louisiana State Loan Repayment Program	Louisiana	Federal/State	Repayment

Maine Health Professions Loan Program	Maine	State	Forgiveness
Massachusetts State Loan Repayment Program	Massachusetts	Federal/State	Repayment
Medical Student Loan Program	West Virginia	State	Forgiveness
Michigan State Loan Repayment Program	Michigan	Federal/State	Repayment
Minnesota Dentist Loan Forgiveness Program	Minnesota	State	Forgiveness
Minnesota Nurse Loan Forgiveness Program	Minnesota	State	Forgiveness
Minnesota Rural Mid-level Practitioner Loan Forgiveness Program	Minnesota	State	Forgiveness
Minnesota Rural Physician Loan Forgiveness Program	Minnesota	State	Forgiveness
Minnesota State Loan Repayment Program	Minnesota	Federal/State	Repayment
Minnesota Urban Physician Loan Forgiveness Program	Minnesota	State	Forgiveness
Montana Rural Physician Incentive Program (MRPIP)	Montana	State	Repayment
NC Student Loan Program for Health, Science and Mathematics	North Carolina	State	Scholarship-Loan
NHSC Loan Repayment Program 2012	National Health Service Corps	Federal	Repayment
NHSC Scholarship Program	National Health Service Corps	Federal	Scholarship
NHSC/CA State Loan Repayment Program	California	Federal	Repayment
NIH Loan Repayment Programs (LRP)	National Institutes of Health	Federal	Repayment
NIH Undergraduate Scholarship Program (for Individuals from Disadvantaged Backgrounds)	National Institutes of Health	Federal	Scholarship
Nebraska Loan Repayment Program	Nebraska		Repayment
Nevada Health Service Corps	Nevada	State	Repayment
New Hampshire State Loan Repayment Program	New Hampshire	Federal/State	Repayment
New Mexico Medical Loan-for-Service Program	New Mexico	State	Loan Program
North Carolina State Loan Repayment Program	North Carolina	State	Repayment
Nursing Loan-for-Service Program	New Mexico	State	Loan Program
Oregon Partnership Student Loan Repayment Program (SLRP) rather than (RHS)	Oregon	State	Repayment
Pennsylvania's Primary Health Care Practitioners Loan Repayment Program	Pennsylvania	Federal/State	Repayment
Physician State/Community Matching Loan Repayment Program	North Dakota	State	Repayment
Physician/Community Match Loan Program	Oklahoma	State	Loan Program
Physicians for Rural Areas Assistance Program	Georgia	State	Repayment
Primary Care Loan Redemption Program of New Jersey	New Jersey	Federal/State	Repayment
Primary Care Resource Initiative for Missouri (PRIMO)	Missouri	State	Forgiveness
Professional and Practical Nurse Student Loan	Missouri	State	Loan Program
Rhode Island Primary Care Loan Forgiveness Program	Rhode Island	State	Forgiveness
Rural Kentucky Medical Scholarship Fund (RKMSF) Grant Program	Kentucky		Scholarship/Grant
Rural Medical Education Scholarship Loan Program	Oklahoma	State	Scholarship
Rural Practice Scholarship Program	Arkansas		Scholarship
South Dakota Midlevel Tuition Reimbursement Program	South Dakota	State	Scholarship
South Dakota Physician Tuition Reimbursement Program	South Dakota		Tuition Reimbursement
State Health Care Professional Loan Repayment Program	Colorado	Federal/State	Repayment
State Medical Education Loan/Scholarship Program	Mississippi	State	Scholarship-Loan
Tennessee Rural Health Loan Forgiveness Program	Tennessee	State	Forgiveness
The Health Professions Loan Repayment Program	California	State	Repayment

The Pisacano Scholars Leadership Program	American Board of Family Practice		Scholarship
The Steven M. Thompson Physician Corps Loan Repayment Program	California	State	Repayment
U.S. Air Force Health Professions Scholarship Program (HPSP)	US Air Force	Federal	Scholarship
U.S. Army Health Professions Scholarship Program	US Army	Federal	Scholarship
U.S. Navy Health Professions Scholarship Program	US Navy	Federal	Scholarship
U.S. Navy Health Professions Loan Repayment Program (HPLRP)	US Navy	Federal	Repayment
Vermont State Educational Loan Repayment Program for Primary Care Practitioners	Vermont		Loan Repayment & Loan Forgiveness
Virginia State Loan Repayment Program (Va-SLRP)	Virginia	Federal/State	Repayment
WA State Health Professional Loan Repayment Program	Washington	Federal/State	Repayment
WICHE Professional Student Exchange Program	Montana	State	Professional Student Exchange Medical Education Program
WWAMI Medical Exchange Program	Montana	State	Education Program
Wisconsin Health Professions Loan Assistance Program	Wisconsin	Federal/State	Repayment

AAMC reserves the right to edit all program descriptions and data for content and consistency.