

# **SRJ 35: Study of Health Care Montana's Medical Education, Training, and Incentive Programs**

by Sue O'Connell, Research Analyst

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## Background

The federal health care reforms that appear poised to pass Congress this year are widely expected to create a greater demand for health care services. As more people become insured, they will be more likely to seek medical care — particularly from primary care providers. These are the family or internal medicine doctors and other practitioners who serve as the initial contact for a medical condition and coordinate a patient's care. The demand may be greatest in rural and sparsely populated areas that already have trouble attracting physicians.

The federal reforms contain some measures to address the potential shortfall, including:

- five years' worth of increased Medicare payments to primary care doctors who practice in Health Professional Shortage Areas (HPSAs);
- an increase in the number of residency slots for training primary care medical graduates and a redistribution of the slots among locations;
- an increase in federal scholarships for medical students and loan repayments for doctors who agree to practice in shortage areas; and
- a new group that will develop a national health care workforce strategy.

Whether these changes will be enough to meet the expected demand for primary care practitioners remains to be seen. But some health care advocates note that states could take steps on their own to meet the expected demand. The suggestions range from increased support for medical training programs to incentive programs that encourage students to choose and remain in primary care.

This briefing paper summarizes the programs currently available in Montana to educate medical students, provide hands-on training, and help doctors pay off educational debt.

Opportunities for Aspiring Medical Students: WICHE and WWAMI

Montana participates in two interstate programs that offer reduced tuition to Montana residents who want to attend medical school:

- The Western Interstate Commission for Higher Education (WICHE), made up of 15 states, operates a program that provides Montana students with an opportunity to apply to medical schools within the WICHE region. The students not only receive a preference in admission, but also pay reduced tuition. The state pays a fee to help the medical school cover the full tuition costs. The number of students selected for the program is based on the amount the state appropriates for the program.

The 2009 Legislature appropriated about \$1.7 million over the current two-year budget period for WICHE medical students. The amount supports 32 students a year who are at varying points in their four-year programs. The state's cost averages about 28,800 per allopathic medical student and \$19,000 per osteopathic student.<sup>1</sup>

- The so-called WWAMI program allows students in Washington, Wyoming, Alaska, Montana, and Idaho to obtain a medical education through the University of Washington School of Medicine. Students complete their first year of medical school in their home states and then spend three years in the University of Washington program. Because students can spend most of their third and fourth years training at Montana clinical sites, Montana WWAMI students could spend nearly 75% of their medical school time in Montana.

During their second through fourth years, students pay UW's in-state tuition, which is about \$19,000 a year. The students' home states pick up the remainder of the costs. Twenty Montana students are accepted each year, and 80 are in the program in any given year. The state supports the costs of the 60 students who are in their second, third, or fourth year of studies.

The 2009 Legislature allocated about \$6.6 million for the those 60 students, at an average cost of about \$55,000 a year.<sup>2</sup> About 35% of Montana's WWAMI funds are re-invested in Montana for clinical training and for continuing education for the Montana doctors who assist with that training.<sup>3</sup>

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<sup>1</sup> "Legislative Fiscal Report 2011 Biennium," *Legislative Fiscal Division*, June 2009, P. E-112.

<sup>2</sup> Ibid.

<sup>3</sup> E-mail from Sylvia Moore, Deputy Commissioner for Academic & Student Affairs, Montana University System, Dec. 31, 2009.

Post-Graduate Opportunities: Montana Family Medicine Residency Program

Aspiring physicians must not only complete a bachelor's degree program and four years of medical school, but also must spend several years in a residency program to gain further experience in a specific field. A primary care residency program lasts three years.

In 1995, the WWAMI program approved the creation of the Montana Family Medicine Residency in Billings. The residency program is affiliated with the Department of Family Medicine at the University of Washington and accepts six residents each year. They practice both in Billings and in a variety of locations around the state, with a goal of gaining both the education and the experience that would allow them to practice medicine in rural areas.

In both 2005 and 2006, four of the five residents entered practice in Montana after completing the program. All six of the 2007 and five of the 2008 graduates stayed in the state.<sup>4</sup> In all, 69% of the residents who graduated from the program between 1998 and 2008 practice in Montana.<sup>5</sup>

Opportunities for Practicing Physicians: Reducing the Debt Load

The high amount of educational debt that medical students accumulate is often cited as a key reason that many graduates enter specialty practices. Specialists typically earn much more than a primary care doctor, making it easier to pay off debt.

The Association of American Medical Colleges estimates that 86% of medical students graduate with educational debt. Their total loans average \$145,000 for public school students and \$180,000 for private school students.<sup>6</sup>

Both the federal government and the Montana Legislature have recognized that assistance with this debt may encourage new physicians to practice in areas or fields that may otherwise be less lucrative and thus less attractive to them.

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<sup>4</sup> "Alumni News," *Montana Family Medicine Residency* [online], available at <http://www.mfmr.org>, accessed Aug. 4, 2009.

<sup>5</sup> "Rural Health Delivery," Quarterly Newsletter, *Montana Area Health Education Center*, December 2009.

<sup>6</sup> "Solutions to the Challenges Facing Primary Care Medicine," Policy Monograph, *American College of Physicians*, 2009, P. 10.

The federal government in 1970 established the National Health Service Corps (NHSC), which offers two programs to encourage practice in underserved areas:

- The NHSC scholarship program pays tuition and a stipend to selected medical students who commit to serving one year in an underserved area for each year of financial aid they receive.
- The NHSC loan repayment program pays physicians \$25,000 a year for two years, in exchange for two years of practice in an underserved area.

The federal government appropriated \$135 million in 2009 for 39 scholarships and for loan repayments to 977 physicians. In addition, the American Recovery and Reinvestment Act contained \$300 million to support 114 additional scholarships from 2009 to 2011 and approximately 3,300 new loan repayments during that period.<sup>7</sup>

To qualify for either program, a person must agree to practice in HPSAs that meet a standard set by the federal government. The standard is based on the scoring of several factors, including the percentage of the population below the poverty level and the travel time or distance to the nearest available source of care.

Montana has 101 HPSAs for primary care services, and 21% of those meet the standards for the scholarship program this year. Federal statistics show that 12 NHSC scholars are practicing in Montana, as are 78 doctors who are receiving loan repayments; 40 of the physicians are primary care practitioners.<sup>8</sup>

The Montana Legislature created its own physician loan repayment in 1991 — the Montana Rural Physician Incentive Program (MRPIP). The program repays a portion of a physician's medical debt over a five-year period if the physician practices in a medically underserved area that has a demonstrated need for help in recruiting a doctor.

The 2007 Legislature more than doubled the repayment amount available through the program, from \$45,000 to \$100,000. Supporters of the increase said it was needed because of the rising debt load medical students were incurring and because neighboring states offered higher repayment packages.<sup>9</sup>

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<sup>7</sup> Facts & Figures," *National Health Service Corps* [online], available at <http://nhsc/hrsa.gov/about/facts.htm>., accessed Dec. 16, 2009.

<sup>8</sup>"Current Provider FTE Summary by State Report," *Health Resources and Services Administration* [online], available at <http://datawarehouse.hrsa.gov/nhscdetail.aspx>, accessed Jan. 4, 2009.

<sup>9</sup>Proponents' testimony to the Senate Taxation Committee, March 20, 2007.

The program is funded primarily by a surcharge on the tuition paid by WICHE and WWAMI medical students, amounting to about \$4,700 a year. The loan reimbursements are spread over a five-year period, with doctors receiving the full \$100,000 only if they remain in the community for the full five-year period.

The program has provided loan repayment benefits to 92 doctors since going into effect in 1993. Twenty-three of the doctors are currently receiving repayment, while 69 have completed their repayment eligibility. Of those 69 doctors, 47 remained in their communities for their full loan repayment period. Overall, 77% of the physicians supported by the program are actively practicing in Montana.<sup>10</sup>

The doctors taking part in the program have practiced in 38 different towns in 33 counties. A table on P. 6 lists the communities where these doctors have practiced.

### Opportunities Down the Road

Policymakers in Montana and throughout the country will be sorting through any final federal health care reform bill in the months to come, to more clearly understand the possibilities it may hold for increasing the primary care workforce. Meanwhile, those involved in workforce issues in Montana are already taking steps to increase opportunities here. At least two proposals are in the discussion phase:

- In November 2009, Montana State University officials presented the Board of Regents with a proposal to add 20 more students to the WWAMI program.
- Missoula providers and the Western Montana Area Health Education Center are looking into the possibility of creating a family medicine residency program in Missoula.

In addition, a Montana Health Care Forum work group is focusing on workforce issues. The Forum — a group of health care providers, insurers, and other stakeholders — may be developing recommendations for action, as well.

These and other opportunities may warrant greater committee attention in the future.

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<sup>10</sup> Laurie Tobol, Student Assistance Manager/State Certifying Officer, Office of the Commissioner of Higher Education, Jan. 7, 2010.

**MONTANA RURAL PHYSICIAN INCENTIVE PROGRAM PRACTICE  
LOCATIONS 1993-2009**

<b>County</b>	<b>City/Town</b>
Beaverhead	Dillon
Big Horn	Hardin
Blaine	Chinook
Broadwater	Townsend
Carbon	Red Lodge
Custer	Miles City
Daniels	Scobey
Dawson	Glendive
Deer Lodge	Anaconda
Fergus	Lewistown
Flathead	Columbia Falls
Glacier	Cut Bank
Hill	Havre
Lake	Polson
Lake	Ronan
Lake	Seeley Lake
Lake	St. Ignatius
Lewis and Clark	Lincoln
Liberty	Chester
Lincoln	Libby
Madison	Ennis
Mineral	Superior
Park	Livingston
Pondera	Conrad
Powell	Deer Lodge
Ravalli	Hamilton
Ravalli	Stevensville
Richland	Sidney
Roosevelt	Culbertson
Rosebud	Forsyth
Sanders	Plains
Sanders	Thompson Falls
Sheridan	Plentywood
Stillwater	Columbus
Sweet Grass	Big Timber
Toole	Shelby
Valley	Glasgow
Wheatland	Harlowton

Source: Office of the Commissioner of Higher Education