



Representative Ivy Spohnholz

House Health & Social Services Committee Co-Chair

Serving House District 16: College Gate, Russian Jack, Nunaka Valley, & Reflection Lake

Committee Member: Resources, Energy, & Legislative Budget & Audit

Sponsor Statement

House Bill 114

Medical Provider Incentives/Loan Repayment (SHARP-3)

"An Act relating to a workforce enhancement program for health care professionals employed in the state; and providing for an effective date."

Health care is one of the largest and most dynamic industries in Alaska, yet many citizens, especially in rural areas, continue to experience challenges with accessing care. The availability of health care services is important for maintaining health, preventing and managing disease, and reducing costs from unnecessary emergency room visits, and hospital readmissions and temporary staffing. One reason access to care is limited, particularly in rural Alaska, is due to shortages of healthcare professionals. Health care sites struggle with recruiting and retaining health care professionals. Further, health care professionals have challenges with large student loan debt and high cost of living in rural and remote locations.

To meet the ongoing demand, Alaska must continue to address the shortage of health care professionals. HB 114 (SHARP-3) does this by establishing the *Health Care Professionals Workforce Enhancement Program*, a public-private partnership that will increase the number of providers while minimizing the use of state funds. Health care professionals agree to work for minimum of three years in Alaska in underserved areas in exchange for repayment of student loans or direct incentives. Employers will fully fund the program, taking advantage of a federal tax exemption available only to a state-run program.

The success of healthcare loan repayment and incentive programs in increasing the healthcare workforce in Alaska was demonstrated in SHARP-2. Between 2013 and 2015, SHARP-2 was successful in recruiting and/or retaining 83 clinicians statewide, with a majority of clinicians placed in locations off the road system and emphasizing care for rural and underserved populations. With the sunset of SHARP-2 on June 30, 2019, other healthcare practitioner incentive programs are needed to reduce healthcare workforce shortages throughout Alaska.

SHARP-3 builds on the success of SHARP-2 with new practice settings, new occupations, new employers, new locations, and new roles. Employers can hire much-needed staff, providers get assistance with their loan payments which makes it more affordable to work in a rural community, and Alaskans living in rural communities have improved access to health care--all without the use of state general funds.

Session (January-April):
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