



## SB093 Medical Provider Incentives/Loan Repayment

AS 18.29.100-18.29.190

### What it does

- Establishes a *Health Care Professionals Workforce Enhancement Program* to address a shortage of health care workers.
- Health care professionals agree to work for employers in areas with health care shortages for three years caring for underserved individuals in exchange for repayment of student loans or direct incentives.
- Employers fully fund the program. No unrestricted general funds are involved.
- Replaces the existing “SHARP 2” program in AS 18.29 scheduled for sunset June 30, 2019.

### Why it’s important

- Alaska has an overall shortage of healthcare professionals, and in addition there is an uneven distribution of those professionals across the state.
- Workforce shortages create serious barriers to health care for many Alaskans, especially in rural and frontier areas, and for the uninsured and beneficiaries of Medicaid, Medicare, and the Indian Health Service.
- Health care sites struggle with recruiting and retaining health care professionals.
- Health care professionals have challenges with large student loan debt, high cost of living in rural and remote locations, and resulting financial pressures.

### How it works

- 3 year contract with renewals; 12 year lifetime limit. Full- or half-time.
- 3 levels of contract awards based on the occupation from \$15,000 to \$35,000 per year with an additional 35% for very hard-to-fill positions.
- Employer payments fully cover cost of the professional’s program payment and an administrative fee.
- Loan repayments are exempt from federal income tax if awarded through a state-run program.
- An advisory council recommends eligibility criteria, prioritization of sites and professionals for participation, and contract awards.

### Benefits

- Public-private partnership increases the number of professionals while minimizing the use of state funds.
- Allows employers to hire much-needed staff and retain them;
- Gives providers assistance with their loan payments which makes it more affordable to live and work in a rural community, making care available closer to home; and
- Helps all Alaskans maintain their health, but especially underserved individuals.



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### Results for SHARP 2

- 83 contracts with professionals

Category	Tier 1	Tier 2	Total
Medical	22	25	<b>47</b>
Behavioral	5	13	<b>18</b>
Dental	12	6	<b>18</b>
<b>Total</b>	<b>39</b>	<b>44</b>	<b>83</b>

- 50% loan repayment only; 20% direct incentive only; 30% combination
  - \$25,560 average payment per contract per year
  - 10-30% employer match
- 31 employers distributed across 25 communities
    - 60% Off-road (rural and isolated priority populations)
    - 82% Non-profit; 16% Government; 2% For-profit
    - 59% hospital associated
    - 45% community health centers
    - 50% tribal affiliated organizations
    - 50% positions very hard-to-fill
- Services provided in 2017
    - 68 clinicians
    - 71,000 patients seen
    - 126,000 health care visits
    - 65,000 prescriptions filled



For more information on Alaska's SHARP Program:

<http://dhss.alaska.gov/dph/HealthPlanning/Pages/sharp/default.aspx>