

HB

409

FINANCE COMMITTEE REPORT

{11}

Date referred: 2/19/88

FURTHER REFERRALS:

DATE: 4/8/88

The Finance Committee has considered HB 409

"An Act relating to forgiveness of student loans of certain health care providers."

RECOMMENDS:

- replace with CS HB 409 (Fin.) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Adams [Signature]

Rivest [Signature]

Larson [Signature]

Goll [Signature]

Boyer [Signature]

Wallis [Signature]

SIGNING OTHER RECOMMENDATIONS:

Frank [Signature] NO Rec

[Signature]
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: 3/31/88
 Title: RE: Forgiveness of Student Loans-
Health Care Providers
 Sponsor: Ellis & Koponen
 Requestor: House Finance
 Agency Affected: Education
 BRU: Postsecondary Education/
Student Loan Corporation
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	-0-	25.4	56.7	92.8	115.1
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	25.4	56.7	92.8	115.1

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	25.4	56.7	92.8	115.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

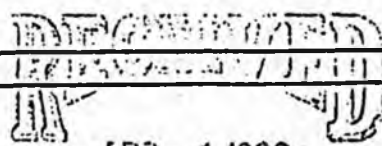
ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Kerry D. Romesburg Phone: 465-2854
 Division: Commission on Postsecondary Education Date: 3/31/88

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)



LEGISLATIVE FINANCE

151151

HB 409
Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance pattern for students of selected health care fields.
2. Indebtedness levels will increase as costs of attendance rise. The inflationary increase will be about 3% per year in the average loan amount.
3. Only a small proportion of health care graduates will actually qualify for the benefits of HB 409. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is 3-of-5 years of eligible forgiveness).
4. Borrowing years will vary by health care field. For this fiscal note, the following are assumed:

Medical Profession	8 years
Nursing	3 years

B. Projections

GRADUATES BY FIELD

<u>Field</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
Medical Prof.	32	32	31	32	33	34
Nursing	67	67	68	70	71	72
Totals:	<u>99</u>	<u>99</u>	<u>99</u>	<u>102</u>	<u>104</u>	<u>106</u>

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1988-89	\$ -0-
1989-90	25,410
1990-91	56,663
1991-92	92,813
1992-93	115,082
1993-94	131,876

Original sponsors: Ellis, Koponen,
Menard et al.

1 IN THE HOUSE

THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 409 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to forgiveness of student loans of
7 certain health care professionals; and providing for
8 an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 14.43.120 is amended by adding new subsections to read:

11 (s) If a borrower meets the conditions provided in this section
12 and is employed as a health care professional in an area more than 60
13 miles from a hospital, or in an area determined to have a health care
14 professional shortage for the borrower's profession by the Department
15 of Health and Social Services under AS 44.29.020(b), a portion of the
16 loan shall, subject to appropriation by the legislature, be paid by
17 the state equal to the following percentages of the total loan re-
18 ceived plus interest up to a total of 70 percent of the total loan:
19 (1) one year employment, 10 percent; (2) two years employment, an
20 additional 12 percent; (3) three years employment, an additional 14
21 percent; (4) four years employment, an additional 16 percent; (5) five
22 years employment, an additional 18 percent. In this subsection,
23 "health care professional" means a person who is licensed as a physi-
24 cian or osteopath under AS 08.64.230, or as a registered nurse under
25 AS 08.68.190 or 08.68.200.

26 (t) Notwithstanding any other provision of law, while a person's
27 loan is being paid by the state under (s) of this section, that person
28 may not receive forgiveness of a loan under any other section of this
29 chapter.

1 * Sec. 2. AS 44.29.020 is amended by adding a new subsection to read:

2 (b) The department shall, by September 30 of each year, prepare
3 a report that (1) lists by profession those geographic areas of the
4 state that have a health care professional shortage, (2) identifies
5 the number of health care professionals employed in each area of
6 shortage, and (3) recommends changes to the health care professional
7 loan forgiveness program under AS 14.43.120(s). The report prepared
8 under this subsection shall be provided to the Alaska Commission on
9 Postsecondary Education. The commissioner of health and social ser-
10 vices shall adopt regulations regarding the determination of geo-
11 graphic areas with a health care professional shortage. In this
12 subsection "health care professional" has the meaning given in AS 14.-
13 43.120(s).

14 * Sec. 3. APPLICABILITY. This Act applies to a person's employment as
15 a health care professional that occurs after July 1, 1988.

16 * Sec. 4. This Act takes effect July 1, 1988.
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[] Deleted language
— New language

Original sponsors: Ellis, Koponen,
Menard et al.

1 IN THE HOUSE

THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 409 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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12 and is employed as a health care professional in an area more than 60
13 miles from a hospital, or in an area determined to have a health care

14 professional shortage for the borrower's profession by the ^[U.S.] Department
15 of Health and Social Services under AS 44.29.020(b), a portion of the ^{Public Health - Social Services under AS 42.03C}

16 loan shall, subject to appropriation by the legislature, be paid by
17 the state equal to the following percentages of the total loan re-
18 ceived plus interest up to a total of ^[100] 70 percent of the total loan:

19 (1) one year employment, ^[15] 10 percent; (2) two years employment, an
20 additional ^[15] 12 percent; (3) three years employment, an additional ^[15] 14
21 percent; (4) four years employment, an additional ^[25] 16 percent; (5) five
22 years employment, an additional ^[30] 18 percent. In this subsection,

23 "health care professional" means a person who is licensed as a physi-
24 cian or osteopath under AS 08.64.230, or as a registered nurse under
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27 loan is being paid by the state under (s) of this section, that person
28 may not receive forgiveness of a loan under any other section of this
29 chapter.

1 * Sec. 2. AS 44.29.020 is amended by adding a new subsection to read:

2 (b) The department shall, ^[determine] by September 30 of each year, prepare
3 a report that (1) lists by profession those geographic areas ^{of INSTITUTION} of the
4 state that have a health care professional shortage, (2) identifies
5 the number of health care professionals employed in each area of
6 shortage, and (3) recommends changes to the health care professional
7 loan forgiveness program under AS 14.43.120(s). ^[information] The report prepared
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15 a health care professional that occurs after July 1, 1988.

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INDIAN HEALTH SERVICE VACANCIES

ANCHORAGE:

1 Radiologist
1 Urologist
1 Psychiatrist

BARROW:

4 Family Practitioners

BETHEL:

7 Family Practitioners
2 Psychiatrists
1 Pediatrician

JUNEAU:

2 Family Practitioners

KOTZEBUE:

2 Family Practitioners

SITKA--MT. EDGE CUMBE:

1 Family Practitioner
1 Psychiatrist
1 OBGYN
1 Pediatrician

KETCHIKAN:

1 Family Practitioner

FAIRBANKS:

1 Psychiatrist

TOTAL:

17 Family Practitioners
5 Psychiatrists
2 Pediatricians
1 Radiologist
1 Urologist
1 OBGYN

27 VACANCIES

SOURCE:

National Indian Health Service
Statistics February 1988
Services
IHS recruiter: Deryl Pratt

lmw

NURSING VACANCIES

Alaska-PHS, IHS

ANCHORAGE:

7 Supervisory
Clinical Nurses
24 Clinical Nurses

BARROW:

1 Assistant Admin
of Nursing
1 Outpatient Dept
Head Nurse
6 Clinical Nurses

BETHEL:

1 Night Supervisor
5 Clinical Nurses

KANAKANAK:

4 Clinical Nurses

KOTZEBUE:

1 Assistant Admin
of Nursing
4 Clinical Nurses

MT. EDGE CUMBE:

2 Mental Health
Nurses
3.5 Med-Surg Nurses

TOTAL:

43 Clinical Nurses
7 Supervisory
Clinical Nurses
3.5 Med-Surg Nurses
2 Mental Health
Nurses
2 Assistant Admin
of Nursing
1 Outpatient Dept
Head Nurse
1 Night Supervisor

59.5 VACANCIES

SOURCE:

Department of Health & Human
Services, Public Health
Service
AK Area Nursing Section
Dr. David Schraer

Alaska State Legislature

REPRESENTATIVE
PAT POURCHOT

HOUSE FINANCE COMMITTEE,
VICE CHAIR

HOUSE ETHICS COMMITTEE, CHAIR

LEGISLATIVE BUDGET & AUDIT
COMMITTEE



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JUNEAU
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JUNEAU, AK 99811
(907) 465-3712

House of Representatives

M E M O R A N D U M

TO: House Finance Committee Members

FROM: Representative Pat Pourchot, Chairman
House Finance Subcommittee on HB 409

DATE: April 7, 1988

RE: House Finance Committee Substitute for HB 409

HB 409 provides forgiveness of student loans for certain health care professionals. In an effort to reduce the cost of the forgiveness proposal, the subcommittee narrowed the bill's scope. The following changes were adopted:

page 1, lines 12-13

A definition of health care professional shortage was established: A shortage area is any area more than 60 miles from a hospital or any other area determined by the Department of Health and Social Services to be inadequately served.

page 1, line 16

Language was added to clarify that the program is subject to legislative appropriation. This is intended to ensure that the bill does not create a legal obligation of the state in regard to forgiveness payments.

page 1, lines 18-22

The total amount of forgiveness was reduced from 100% to 70% (10% after the first year of employment followed by an additional 12%, 14%, 16%, and 18% in subsequent years).

page 1, lines 23-25

The definition of "health care professional" was limited to physicians and registered nurses licensed by the state. The original definition included anyone authorized by the state to administer health care.

page 1, lines 26-29

Language was added to ensure that anyone receiving forgiveness under HB 409 will not also receive forgiveness under the previous forgiveness program.

CSHB 409(Fin)
April 7, 1988
Page 2

page 2, lines 1-9

A procedure for ensuring cooperation between the Postsecondary Education Commission and DHSS was established. By September 30 of each year DHSS must submit to the Commission a report listing areas with health care shortages, identifying the number of health care professionals employed in each area, and recommending any needed changes to the program.

page 2, lines 10-11

A requirement that DHSS adopt regulations outlining the procedure for determining health care shortage areas was added.

page 2, lines 14-15

Language clarifying that the provisions of the bill apply to employment occurring after the bill's effective date (July 1, 1988) was added.

These changes have resulted in a zero fiscal note for FY 89, as forgiveness payments would be made after the first year of eligible employment (July 1, 1988 to July 1, 1989). The program cost for FY 90 is reduced from \$169,000 to \$25,400 with increases during subsequent years reduced as well.

FISCAL NOTE

REQUEST:

Revision Date: 3/31/88
 Title: RE: Forgiveness of Student Loans-
 Health Care Providers
 Sponsor: Ellis & Koponen
 Requestor: House Finance

Agency Affected: Education
 BRU: Postsecondary Education/
 Student Loan Corporation
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	-0-	25.4	56.7	92.8	115.1
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	25.4	56.7	92.8	115.1
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	25.4	56.7	92.8	115.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Attached



Prepared by: Kerry D. Romesburg Phone: 465-2854
 Division: Commission on Postsecondary Education Date: 3/31/88

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

HB 409
Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance pattern for students of selected health care fields.
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4. Borrowing years will vary by health care field. For this fiscal note, the following are assumed:

Medical Profession	8 years
Nursing	3 years

B. Projections

GRADUATES BY FIELD

<u>Field</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
Medical Prof.	32	32	31	32	33	34
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C. Fiscal Impact

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(907) 274-4031

WHILE IN SESSION
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(907) 485-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

REPRESENTATIVE JOHNNY ELLIS

SPONSOR POSITION PAPER

HB409

"An act relating to forgiveness of student loans of certain health care providers."

The purpose of this bill is to create an incentive program for medically trained Alaskans to work in those areas of Alaska that need health care provider services most.

Modeled after the Teacher Scholarship Loan Program, this legislation offers the incentive of Alaska Student Loan forgiveness in return for health care service in areas of the State determined to be medically underserved.

This program would also allow students who qualify to take advantage of the new National Health Service Corps Loan Repayment Program, which offers up to 75% Federal matching funds for such a State program.

*WHY HB409?

1. Federal recruitment program ending.

The National Health Service Corps (NHSC) Scholarship Program, which placed 1000 national health care providers in medically underserved areas in 1987, will issue no new scholarships. According to the US Congressional Office of Technology Assessments, NHSC will have 413 scholars in 1988; 76 in 1989; and 4 in 1990, to place nation wide. Ken Bahms, the NHSC Region X Director, indicated that, no new NHSC scholars will be designated for Alaska.

2. Indian Health Service (IHS) dependent upon NHSC placements.

According to the Office of Technology Assessment, "Problems of training and retaining health professionals will become critical for IHS over the next 5 years as the NHSC program is phased out."

3. Existing NHSC placements expire August 1989.

There are currently FIVE NHSC placements in Alaska:

- (1) Anchorage Neighborhood Health Center--Obstetrician
Summer '85 to Summer '88
- (2) Nome--Family Practitioner
Summer '86 to September '89

- (3) Anchorage--Physiatrist (physical rehabilitation)
Summer '86 to July '89
- (4) Anchorage (Arctic I Lab)--Pediatrician
Summer '87 to December '88
- (5) Dillingham--Family Practitioner
Summer '87 to August '89

***WHO is medically underserved?**

42 U.S.C. 254(e) is a Federal distinction to determine a "health manpower shortage area". The Department of Health and Human Services has distinguished:

In Alaska:

- 29 psychiatry areas
- 14 primary medical care areas
- 4 dental service areas

***WHY forgiveness?**

1. Recruitment increasing problem.

All reports indicate that recruitment of health care professionals into rural/medically underserved areas is a chronic problem. Studies indicate that the national shortage of nurses will only enhance this problem.

2. Retention difficult.

Office of Technology Assessments indicate that, "Nearly all physicians who enter IHS with NHSC scholarship payback obligations, however, leave after their obligation is fulfilled. Only about 5 percent stay at least 1 additional year."

3. Alaska Student Loan established program.

Forgiveness of the Alaska Student Loans will ensure that Alaskan residents are encouraged to remain in Alaska and serve in those areas of greatest need.

4. 100 percent forgiveness is an adequate incentive.

A forgiveness program designed over a five year period with increasing percentages in the fourth and fifth years will not only help in recruiting but also in retaining health care professionals to areas that have been traditionally difficult to fill.

***HOW to receive Federal matching funds?**

PL 100-177 provides for state programs similar to the NHSC Loan Repayment Program to receive up to 75 percent Federal matching funds through a three-year grant program. Although specific regulations have not yet been published, all relevant Federal agencies contacted have recommended that Alaska establish an independent State program first. Matching funds will be issued in accordance with demonstrated need and existing State programs.

FISCAL NOTE

REQUEST:

Revision Date: 2/1/88
Title: Re: Forgiveness of Student
Loans - Health Care Providers
Sponsor: Ellis and Koponen
Requestor: House HESS

Agency Affected: Education
BRU: Postsecondary Education/
Student Loan Corporation
Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
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SUPPLIES						
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LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	56.4	112.6	168.9	225.3	281.7
MISCELLANEOUS						
TOTAL OPERATING	-0-	56.4	112.6	168.9	225.3	281.7

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	56.4	112.6	168.9	225.3	281.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Figures are based upon 50% forgiveness at 10% per year.

Prepared by: Kerry D. Romes Executive Director Phone: 465-2854
Division: Alaska Commission on Postsecondary Education Date: 2/1/88

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

HMSA

SHORTAGE AREA CRITERIA

SOURCE:

Compendium of State Health Professions Distribution Programs:
1986 US Department of Health & Human Services

STATISTICS:

Of the 113 Compendium programs, 61 (54 percent) have some type of shortage criteria. About a third of programs and states use the federal HMSA criteria or slight modifications of them.

Criteria	Programs	States
HMSA	16	14
HMSA &/or MUA	2	2
Modified HMSA	5	4
Population:physician	3	3
Community size	8	8
Anywhere in State	10	8
State criteria	8	4
Other	<u>9</u>	<u>8</u>
TOTAL	61	51

1. Health Manpower Shortage Areas (HMSA)

Sixteen programs in 14 states (Arizona, Kentucky, Massachusetts, Maine, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia) use HMSA alone. Two programs in two states (Arkansas and Nevada) use HMSA or MUA. No programs use MUA alone.

Those states using HMSA for their own programs report doing so for three reasons:

- a) Some say that HMSA methodology, while not perfect, is sound and useful for their purposes.
- b) Others indicate preference for having federal program officials expend the necessary resources for undertaking the process, and equally importantly, absorb the dissatisfaction from some professional societies or unsuccessful applicant communities.
- c) Finally, at least a few states express preference for developing their own designation process, but lack the necessary staff.

2. HMSA Modifications

Five additional programs in four states essentially use the HMSA designations to place health professionals, modifying the process only slightly to suit their own purposes. These programs are in Maryland, Maine, New Mexico, and North Carolina.

These states accept the HMSA designation of geographic shortage areas. The four states then add their state and local health, mental health, and corrections institutions to a list of acceptable practice sites. Unlike the federal designation process, there are no formal state mechanisms for declaring particular institutions to be lacking sufficient personnel.

a) Maryland

HMSA Modification: HMSA, state or local public institution

b) Maine

1) HMSA Modification: HMSA, underserved specialty group, population group, or any combination of these.

2) HMSA Modification: HMSA, geographic area, specialty group, population group, or any combination of these.

c) New Mexico

approval on a case-by-case basis.

d) North Carolina

HMSA Modification: HMSA, rural community of fewer than 10,000 people, state or local institutions.

FISCAL NOTE

REQUEST:

Revision Date: 1/27/88
 Title: An Act relating to forgive-
 ness of student loans . . .
 Sponsor: Ellis and Koponen
 Requestor: _____

Agency Affected: Health & Social Services
 BRU: State Health Services
 Components: Public Health Adminis-
 tration

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

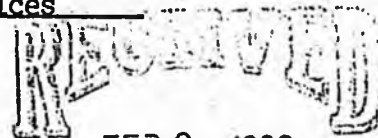
ANALYSIS : (Attach a separate page if necessary)

The enactment of HB 409 would have no direct fiscal impact on the Department of Health and Social Services.

Prepared by: Elizabeth Ward, Director Phone: 465-3090
 Division: Public Health Date: 2-10-88

Approved by Commissioner: Mary Kaye McManis Date: 2-11-88
 Agency: Department of Health & Social Services

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)



FEB 22 1988

Position Paper

CSHB 409

For an Act entitled: "An Act relating to forgiveness of student loans of certain health care providers."

HB 409 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the United States Public Health Service as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in a designated area, up to five years, at which point the entire loan would be forgiven by the state.

Recruitment and retention of health care professionals for rural areas is often difficult and expensive. Agencies and communities providing services in these areas are faced with the ongoing problem of obtaining qualified individuals who will live in rural areas for an extended period of time. This chronic turnover results in substantial cost increases and service disruption due to vacancies.

Eligible professionals providing health services in designated areas would benefit economically from this program. This economic incentive will enhance the ability of communities and agencies to recruit and retain health care providers. In addition, rural Alaskans would be encouraged to obtain advanced education and return to practice in their communities.

Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by:

Elizabeth Ward
Elizabeth Ward, M.N.
Director
Division of Public Health

Date:

February 10, 1989

Approved by:

Myra M. Munson 2/10/88
Myra M. Munson
Commissioner
Department of Health and
Social Services

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P.O. BOX V
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(907) 485-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

REPRESENTATIVE JOHNNY ELLIS

February 22, 1988

Gail M. McGuill, RN
Executive Secretary
Alaska Board of Nursing
Division of Occupational Licensing
7th Floor Frontier Bldg.
3601 C Street, Suite 722
Anchorage, Alaska 99503

Dear Ms. McGuill:

Thank you for your letter regarding the Alaska Board of Nursing's review of HB 409. I share your concerns that the 42 U.S.C. 254(e) health care professional shortage designation alone is inadequate to determine Alaska's needs. To allow for accurate and up-to-date designations of health care areas and professions in Alaska, I proposed the enclosed House Health, Education and Social Services (HESS) Committee Substitute for HB 409.

CS HB 409 instructs the State Department of Health and Social Services (HSS) to "determine by profession those geographic areas or institutions of the state that have a health care professional shortage." Undoubtedly, HSS will need to work closely with the Division of Occupational Licensing in order to make such distinctions. This amendment, to allow for State determination, was designed specifically to ensure that both rural and urban areas with nursing shortages would be designated.

Further testimony was taken regarding HB 409 on February 18, 1988 by the House HESS Committee. At that time CS HB 409 (HESS) was adopted and referred to Finance (the next committee of referral).

I am including a copy of your letter and this response in the bill folder. I will let you know when Finance calendars CS HB 409 so you may make further testimony at that time. Thank you again for your letter of support. I hope that the CS for HB 409 meets your concerns.

Sincerely,

A handwritten signature in cursive script that reads "Johnny Ellis".
Johnny Ellis

encl: 2

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

7TH FLOOR FRONTIER BLDG.
3601 C STREET, SUITE 722
ANCHORAGE, ALASKA 99503
PHONE: (907) 561-2878

February 19, 1988

FEB 22 1988

Leola Weimer, Legislative Aid
Representative Johnnie Ellis
P.O. Box 5V
Juneau, Alaska 99811

Dear Ms. Weimer:

As indicated in previous correspondence from me earlier this month, the Board of Nursing met on February 11-12, 1988. The board reviewed House Bill 409 and the information which was available to them regarding this piece of legislation.

The board expressed support for HB409. However, with the board's limited knowledge of the United States Public Health Service designation of health care provider shortage areas, there was a concern that the language of the bill was too narrow. The board is troubled by the fact that several Alaska communities may experience severe nursing shortages but may not be designated as medically underserved by the U.S.P.H.S. The board suggested a state agency such as the regulatory boards under the Division of Occupational Licensing could be added to the bill as responsible for identifying shortage areas. An additional concern was expressed that the federal list may not be as current as needed and a state agency would have more up to date information.

We hope this information is of value to you. If you have any questions, please do not hesitate to contact this office again.

Sincerely,



Gail M. McGill, RN
Executive Secretary
Alaska Board of Nursing

GMM/md
0219n



Office of Regents' Affairs
(907) 474-7908

UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99775-5080

FEB 4 1988

November 23, 1987

NOV 27 1987

Alaska Commission on
Postsecondary Education

Dr. Kerry D. Romesburg
Executive Director
Alaska Postsecondary Education Commission
P.O. Box FP
Juneau, Alaska 99811

Dear Dr. Romesburg:

Members of the University of Alaska Board of Regents requested that a copy of the following motion, adopted by the Board at its November 20, 1987 meeting in Anchorage, be forwarded to your attention:

PASSED:

"The Board of Regents directs its representatives on the Alaska Postsecondary Education Commission to forward to the commission a proposal for the development of a scholarship program for medical students from Alaska, similar to the Teacher Scholarship Loan Program, which would include forgiveness of payment if an individual practices medicine for a specified period of time in rural Alaska. This motion is effective November 20, 1987."

The above motion was made by Regent Susan Stitham, seconded by Regent Mark Helmericks, and passed unanimously by the Board of Regents.

Very truly yours,

A handwritten signature in cursive script that reads "Julie E. Chavez".

Julie E. Chavez,
Regents' Affairs Officer

cc: Regents Stitham, Helmericks, and Rasmuson
President Donald O'Dowd
Dr. Donald Behrend

Alaska Native Health Board

1135 W. 3th AVENUE, SUITE 2, ANCHORAGE, ALASKA 99501

PHONE 807 276 9339

February 10, 1988

Representative Johnny Ellis
Alaska State Legislature

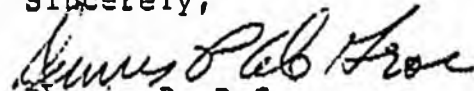
Dear Representative Ellis:

The Alaska Native Health Board strongly supports HB 409, "An Act Relating to Forgiveness of Student Loans of Certain Health Care Providers". In our statewide system of Native health care (Comprised of the Indian Health Service and 16 regional and other Native tribal health provider agencies), the number of vacant positions has varied between 41 and 59 over the past two months. At the present time there is a need for 9 physicians, 1 dentist, 22 nurses, 1 med tech, 1 physician assistant, 1 pharmacist, and 2 Xray technicians.

While the general requirement for employment in our system is that new hires have a minimum of 3 years past experience, our Internship program would allow about 14 new health provider graduates per year to enter the system directly from graduation. Our view is that the proposed bill would help us and other employers of health professionals in Alaska, such as municipalities and the State of Alaska, to hire Alaskans.

Thank you for the opportunity to comment in support of HB 409.

Sincerely,


Dennis P. DeGross
Executive Director

ALEUT ANCHORAGE ISLAND ASSOCIATION
BRISTOL BAY AREA HEALTH CORPORATION
COOK INLET NATIVE ASSOCIATION
COPPER RIVER NATIVE ASSOCIATION

KODIAK AREA NATIVE ASSOCIATION
KVALAPYAK ASSOCIATION
THE NORTH PACIFIC
NORTH SLOPE SCROUGH HEALTH CORP

NORTON SOUND HEALTH CORPORATION
SOUTHEAST ALASKA REGIONAL HEALTH CORP
TANANA CHIEFS CONFERENCE
YUKON-KUSKOKWIM HEALTH CORPORATION

FTTS-122 FORM - 017 03/77 02. 01 88



DEPARTMENT OF HEALTH & HUMAN SERVICES
PUBLIC HEALTH SERVICE

February 10, 1988

Refer to: A-NSS

Rep. Johnny Ellis
Co-chair HESS Committee
Pouch V
State Capitol
Juneau, AK 99811

Dear Rep. Ellis:

Response on behalf of Marion Bayless, Administrator, Alaska Area Nursing Services Section, in support of HB409 "An act relating to forgiveness of student loans of certain health care providers", we offer the following data and information:

The area, number, and type of nursing vacancies in Alaska-PHS, IHS are as follows:

Anchorage - ANMC

7 - Supervisory Clinical Nurses
24 - Clinical Nurses

	<u>Current</u>	<u>Anticipated</u>	
Med-Surg	6	3	
*OB	2	2	
***Peds Infant	5 (3 neonate, 2 older peds)		
ICU	2		
**OR	2		
OPD		1	
Specialty Cl.	1		
	<hr style="width: 100%; border: 0.5px solid black;"/>	6	= 24-26 running number vacancies for past 5 months.

Barrow

1 Assistant Administrator of Nursing
1 Outpatient Dept. Head Nurse
6 Clinical nurses

Bethel

1 Night Supervisor
5 Clinical Nurses

Kanakanak

4 Clinical Nurses

Kotzebue

1 Assistant Administrator of Nursing
4 Clinical Nurses

Mt. Edgecumbe

2 Mental Health Nurses
3.5 Med-Surg Nurses

Rep. Johnny Ellis
February 10, 1988
Page 2

* It currently takes ANMC 5-6 months to recruit qualified Obstetric Clinical Nurses due to the high skill requirement of this high risk patient population and the complexity of care, equipment, and procedures.

** It takes up to 12 months to recruit qualified OR nurses.

*** It takes 6-8 months to recruit ~~qualified~~ neonatal nurses.

Current literature and research on Recruitment and Retention reflects educational opportunity and advancement to be high priorities for nurses surveyed in the Lower 48 States.

A Federal Interagency Staff Nurse Recruitment and Retention Task Force has identified educational opportunity and advancement to be among the top three priorities for recruitment and retention.

Attraction of minority students unable to meet financial obligation to field of nursing.

Alaska PHS-IHS exit interviews consistently reflect a primary reason for a change of employment location being:

- a) Lack of educational opportunities or advancement in present position.
- b) Seeking continuing educational opportunities with another agency (often East Coast States).

* Financial Support/Loan Forgiveness: Among the most comprehensive approaches to the recruitment into nursing problem is the one undertaken by some hospital-based schools of nursing which have decided to underwrite the costs of tuition for nursing students. The students must be willing to commit themselves to a designated period of employment in their school's hospital which will qualify them for full tuition reimbursement. Some programs will advance the required tuition while others will reimburse after the fact. In making the mutual commitment to this relationship, the student nurse and the hospital are investing time and energy in each other. The hospital stands to gain a certain number of guaranteed staff nurses upon graduation, and the student is able to obtain a nursing education without becoming encumbered with loans. In many respects this arrangement has much in common with the U. S. military R.O.T.C. programs, which supports a student in collegiate nursing education in exchange for a commitment to a given number of years in military nursing service. Two hospital-based schools of nursing which have been notably successful in recruiting students with this strategy are: Framingham Union Hospital, 115 Lincoln St., Framingham, MA 01701, Jane Woodward, Associate Administrator; and Crouse-Irving Memorial Hospital School of Nursing, 736 Irving Avenue, Syracuse, NY 13210, Dr. Suzanne Spaulding, Director.

Rep. Johnny Ellis
February 10, 1988
Page 3

* The Adult Pool of Potential RNs: In maximizing the impact of available resources, it would be advisable to consider the pool of current health care workers, such as LPNs, EMTs and paramedics. They are familiar with the hospital world, so facilitating their transition into the RN pool may provide a rapid return on available resources. Several diploma schools of nursing as well as AD programs in community colleges are recruiting this population into their RN educational programs. In order to make these programs more accessible, several offer weekend classes and evening classes for those who are employed full time. Some hospitals which might have laid off LPNs in the past have decided to try to meet the manpower needs of their institutions by offering generous academic loans to these individual with commitments to "forgive" these loans if the graduate will return to work as an RN for a given period of time.

Thank you for the opportunity to comment on this vital Alaska Health Care issue.

Sincerely,



David J. Schraer, MD
Chief, Area Patient Care Standards Br.

*Reference: American Organization Nurse Executives, American Hospital Association.

Tanana Chiefs Conference, Inc.

201 First Ave.
Fairbanks, Alaska 99701
(907) 452-8251

FEB 11 1988

FEB. 8, 1988

REP. JOHNNY ELLIS
HOUSE HESS COMMITTEE
ALASKA STATE LEGISLATURE
POUCH V
JUNEAU, ALASKA

REFERENCE: HB 409: HEALTH PROVIDER STUDENT LOAN FORGIVENESS

DEAR REP. ELLIS:

THIS IS IN RESPONSE TO YOUR LETTER OF FEBRUARY 5, 1988 REQUESTING COMMENTS CONCERNING HB409, SUPPORTING LOAN FORGIVENESS FOR HEALTH PROFESSIONAL STUDENT LOANS.

THE TANANA CHIEFS CONFERENCE, INC. IS SUPPORTIVE OF THIS PROPOSED LEGISLATION.

HEALTH PROFESSIONAL RECRUITMENT IS AN ON-GOING CONCERN FOR US, ALTHOUGH FAIRBANKS IS GENERALLY ONE OF THE MORE DESIRABLE LOCATIONS FOR PROFESSIONALS IN ALASKA, AND WE HAVE LESS OF A PROBLEM THAN MANY OF THE OTHER REGIONS OF THE STATE.

OUR MOST SIGNIFICANT RECRUITMENT PROBLEM HAS BEEN FOR A REGIONAL PSYCHIATRIST TO SERVE INTERIOR ALASKA VILLAGES. WE ARE A DESIGNATED PSYCHIATRIC MANPOWER SHORTAGE AREA, AND HAVE NOT BEEN ABLE TO FIND A CANDIDATE DESPITE NEARLY TWO YEARS OF ACTIVE RECRUITMENT (FINANCING IS ALSO A PROBLEM: WE HAVE REQUESTED AN INCREASE IN OUR DHSS B.R.U. TO PROVIDE THIS SUPPORT).

OTHER ONGOING RECRUITING NEEDS INCLUDE PHYSICIAN'S ASSISTANTS TO SERVE AS PRIMARY CARE PROVIDERS AND HEALTH AIDE SUPERVISORS (CURRENT VACANCIES IN TOK AND MCGRATH), AND MENTAL HEALTH CLINICIANS (MSW OR PHD). WE HAVE REGULAR VACANCIES IN THESE TYPES OF POSITIONS (EVERY TWO-THREE YEARS).

RECRUITMENT FOR PHYSICIANS, DENTISTS, AND NURSES HAS NOT BEEN A SIGNIFICANT PROBLEM FOR US, ALTHOUGH WE WOULD PREFER TO HIRE INDIVIDUALS WHO HAVE ALASKA EXPERIENCE VS. RELOCATING INDIVIDUALS FROM THE LOWER 48.

ONE AREA OF CRITICAL CONCERN FOR THE TCC IS THE DEVELOPMENT OF ALASKA NATIVE HEALTH CARE PROFESSIONALS. AT PRESENT ONLY TEN PERCENT OF PROFESSIONAL PROVIDERS SERVING THE RURAL INTERIOR ARE ALASKA NATIVE (TWO PHYSICIANS ASSISTANTS AND ONE DEPARTMENT MANAGER IN HEALTH EDUCATION). SUCCESSFUL NATIVE COLLEGE GRADUATES SEEM TO BE CHOOSING CAREERS IN EDUCATION AND BUSINESS RATHER THAN HEALTH CARE PROFESSIONS.

LETTER TO REP. ELLIS

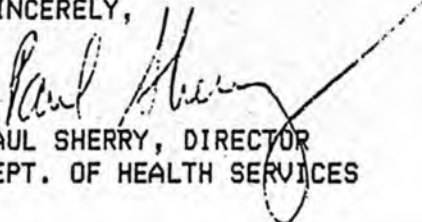
PAGE TWO

THE PROVISIONS OF HB409 WOULD APPEAR TO PROVIDE RELIEF AND SUPPORT FOR OUR EFFORTS TO INCREASE ALASKAN HIRE IN HEALTH PROFESSIONS.

THE FORGIVENESS PROVISIONS WOULD ENCOURAGE COLLEGE STUDENTS TO MORE FAVORABLY CONSIDER HEALTH CAREERS, AND INCREASE THE AVAILABILITY OF PROFESSIONALS WHO WOULD MAKE A LONGER TERM COMMITMENT TO ALASKAN SERVICE.

YOU HAVE THE SUPPORT OF THE TANANA CHIEFS CONFERENCE, INC. IN YOUR EFFORTS TO ENACT THIS LEGISLATION.

SINCERELY,



PAUL SHERRY, DIRECTOR
DEPT. OF HEALTH SERVICES

CC: SEN. JOHNE BINKLEY
REP. KAY WALLIS
MITCH DEMIENTIEFF, TCC PRESIDENT



DEPARTMENT OF HEALTH & HUMAN SERVICES
PUBLIC HEALTH SERVICE

February 9, 1988

Rep. Johnny Ellis
Pouch V
State Capitol
Juneau, AK 99811

We appreciate the support of the Alaska State Legislature in encouraging placement and retention of health professions in medically underserved areas of Alaska through House Bill 409. The Yukon-Kuskokwim Delta Service Unit and the Bethel Family Clinic has been dependent on the National Health Service Corps placement for physician staffing for approximately 4 - 6 physician positions each year for several years. Though Bethel was not listed on the sponsor position paper, six of the 18 physicians residing in Bethel are recipients of a National Health Service Corps Scholarship. We are currently experiencing a nursing shortage with little potential for improvement due to a nationwide nursing shortage. If HB 409 applies to loans for nursing education also, this would improve our ability to recruit graduates of the University of Alaska Nursing School.

One suggestion, forgiveness over a four year commitment period is much more likely to enhance recruitment. Long-term retention is a complex issue. I personally think that the improved recruitment associated with a four year forgiveness period will outweigh any gains of an extra year of service.

Sincerely,

DEWEY SCHEID, M. D.
COMMUNITY HEALTH DIRECTOR
Yukon-Kuskokwim Delta
Service Unit
PHS, Alaska Native Hospital
Pouch 3000
Bethel, Alaska 99559

0931C/DS/hib/02-09-88

1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-4031

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

REPRESENTATIVE JOHNNY ELLIS

February 11, 1988

Alaska WAMI Medical Students
University of Washington
Office of the Dean of
Regional Affairs
Seattle, WA 98105

Dear Denise, Carolyn, Jeff, Mark and Rogin:

Thank you for your letter of February 10, 1988 regarding House Bill No. 409 which is currently before the HESS Committee. The concerns you raise are valid ones and I hope the following explanation helps to clarify the purpose and workings of HB 409.

"Who will fund the practitioners who participate in this program?"

The funding for Alaska Student Loan Forgiveness for certain health care professionals will be through general fund appropriation in accordance with the fiscal note the Commission on Postsecondary Education has prepared. Enclosed is a copy of that fiscal note and their rationale behind it. Please note that HB 409 is dealing ONLY with forgiveness of ALASKA STUDENT LOANS and not in the direct hiring of practitioners.

HB 409 does NOT require physicians to set up private practices in underserved areas. If, however, a physician (or any other health care professional) accepts a contract to work in an area designated to have a shortage in their profession, they may receive up to 100 percent forgiveness on their ALASKA STUDENT LOANS. Public Health Service contracts in shortage areas would therefore qualify.

PL100-177 established the NHSC FEDERAL Loan Repayment Program. This new program is designed to replace the existing NHSC Scholarship Program. Funding for this program allows for only 20 to 30 individual loan repayments per year nation wide. Kenneth Bahm, the NHSC Region X director, has informed us that Alaska can expect to receive NO NEW NHSC Scholarship or Loan Repayment recipients.

NHCS has identified Health Manpower Shortage Areas (HMSA) in Alaska as follows: 50 psychiatry, 20 primary medical care, and 4 dental shortage areas. The National Health Service (IHS) shows a current listing of 27 physician vacancies throughout Alaska. The Alaska Public Health Service lists 59.5 current Nursing vacancies throughout Alaska.

Given the fact that Alaska shall receive no new NHSC Scholarships (upon which IHS has been dependent) and due to the national nursing shortage, recruitment for these positions will be even more difficult. HB 409 has been proposed as an aid to recruiting Alaskans to work in these underserved areas. HB 409 is an incentive program designed to make PHS or IHS jobs more attractive by forgiving up to 100 percent of the borrowers Alaska Student Loans.

"What does 'an area . . . shortage' really mean?"

It means that there is a vacancy in a certain profession that a given health institution cannot fill or in which there is a high turnover. This determination is made by the NHSC. Additional determinations for geographic areas or professions not covered under NHSC will be made through the Alaskan Department of Health and Social Services (HSS).

"Toward which loans will the forgiveness apply?"

Forgiveness will apply toward all undergraduate and graduate Alaska Student Loans taken by a borrower who qualifies.

"Does this program provide a meaningful incentive?"

100 percent forgiveness is undoubtedly a meaningful incentive. Five years of service with increasing percentages of forgiveness for the fourth and fifth years is designed to encourage continuity and lower the high turnover rate found in such areas.

Thank you for your comments. I hope that this answers your questions regarding HB 409. Enclosed is a copy of the proposed committee substitute for HB 409. The House HESS Committee will be taking further testimony on Thursday, February 18 from 8:30 to 10:00 am. I encourage you to read CS HB 409 and submit comments to us before that time. If you have any further questions, please feel free to call Leola at (907) 465-3704.

Sincerely,

Johnny Ellis
Co-chair HESS Committee

encl 2
lmw

(undersigned are first year Alaska WAMI students)

February 10, 1988

Alaska WAMI Medical Students
University of Washington
Office of the Dean of
Regional Affairs
Seattle, WA 98105

TO: Representative Ellis

Several of the first year Alaska WAMI medical students met to discuss your proposed House Bill No. 409. Here are a few of our concerns.

Who will fund the practitioners who participate in this program?

Surely the expectation is not for a physician to be given a designated underserved area and then run out to set up a private practice - it would be extremely difficult to make a living much less pay back loans. Since the primary employer of physicians in underserved areas is the Public Health Service, is some sort of arrangement to be worked out with this agency? Also, we were wondering if the Public Health Service has reinstated their own loan forgiveness program?

What does "an area determined to have a health care provider shortage" really mean?

For example, if a neurosurgeon or some other specialist is needed in Fairbanks will this program apply to that position?

Toward which loans will the forgiveness apply?

Does this bill encompass all educational loans incurred while attending medical school, including GSL, HPL and any other educational loans? Or does it solely apply to the Alaska Student Loan program? Also, does 'total loans received' include Alaska student loans obtained for undergraduate education? The undergraduate loan issue is not a significant one for those of us currently in the WAMI program (our undergraduate loans had the forgiveness clause), but for future medical students it will be important - the difference between paying back \$28,000 or \$50,000.

Does this program provide a meaningful incentive?

Our concern is that the lack of an adequate incentive might prevent some individuals from using this program. The salary needs to be competitive with other post-residency health service salaries. Would it be possible to attain total forgiveness in four years instead of five - a year of service for a year of loan forgiveness?

Thank you for your efforts on our behalf. Please keep us posted on the status of this bill and let us know if we can provide you with any further information.

Sincerely,

Denise Dudley
Carolyn Rader
Jeff Edwards
Mark Whipple
Rogin Grendahl

GENERAL PROCEDURES FOR DESIGNATION

Request for designation (or withdrawal of designation) of health manpower shortage areas should be sent to the Office of Data Analysis and Management at the following address:

Office of Data Analysis and Management
Attention: Distribution and Shortage
Analysis Branch
Parklawn Building, Room 8-57
5600 Fishers Lane
Rockville, Maryland 20857

All requests should contain information on the supply of health manpower available to serve the area's population, the availability of resources in contiguous areas, and the presence of any special needs of the population, using the measures specified in the criteria for shortage, as set forth in the November 17, 1980, issue of the Federal Register. Requests should also include a map showing the location of resources within the area and in contiguous areas. Data sources should be cited, and any adjustments to practitioner supply or area population figures should be explained. In addition, the rationale for the selection of a particular service area definition (in terms of travel times, composition of the population, etc.) should be provided, particularly for non-county service area and population groups.

Requests for designation may be submitted by any individual. Before any request is evaluated, however, the appropriate health systems agency, State health planning and development agency, and Governor will be provided 30 days to comment on the request. Copies of the request are also sent to the appropriate State medical, dental, or other professional association for comment. Requests for psychiatric designations are sent to the appropriate State mental health authority. In order to shorten the designation process, it is recommended that persons submitting a request solicit the assistance and/or endorsement of these parties, or at least provide them with a copy of the request simultaneously with its submission to us.

Once comments have been received or the comment period has expired, the request will be evaluated to see whether the criteria for designation have been satisfied. If the information in a request is inadequate, the applicant will be notified. Notification of final action taken on a designation request will be sent to the applicant and to the appropriate health systems agency, State health planning and development agency, Governor, and Public Health Service Regional Office. Efforts are made to act on each designation request within 60 days.

seek abrogation and the death benefit paid under life insurance, is admissible after the fact finder has rendered an award. The court may take into account the value of claimant's rights to coverage exhausted or depleted by payment of these collateral benefits by adding back a reasonable estimate of their probable value, or by earmarking and holding for possible periodic payment under (a) of this section that amount of the award that would otherwise have been deducted, to see if the impairment of claimant's rights actually takes place in the future. (§ 35 ch 102 SLA 1976)

Editor's notes. — This section is set out above to correct a minor error in the main pamphlet.

Sec. 09.55.560. Definitions. In AS 09.55.530 — 09.55.560

(1) "health care provider" means an audiologist licensed under AS 08.11; a chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a dispensing optician licensed under AS 08.71; a naturopath licensed under AS 08.45; an optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a physical therapist or occupational therapist licensed under AS 08.84; a physician licensed under AS 08.64; a podiatrist; a psychologist and a psychological associate licensed under AS 08.86; and a hospital as defined in AS 18.20.130, including a governmentally owned or operated hospital; a corporate entity covered under AS 21.88.050(b)(11); and an employee of a health care provider acting within the course and scope of employment;

(2) "board" means an arbitration board established under AS 09.55.535;

(3) "panel" means an expert advisory panel established under AS 09.55.536. (§ 37 ch 102 SLA 1976; am § 24 ch 177 SLA 1978; am § 6 ch 56 SLA 1986; am § 9 ch 131 SLA 1986; § 26 ch 2 FSSLA 1987)

Effect of amendments. — The first 1986 amendment in paragraph (1) inserted "an audiologist licensed under AS 08.11." The 1987 amendment, effective January 1, 1988, inserted "or occupational therapist" in paragraph (1).

The second 1986 amendment near the

beginning of paragraph (1) inserted "an audiologist licensed under AS 08.11." The 1987 amendment, effective January 1, 1988, inserted "or occupational therapist" in paragraph (1).

Article 6. Actions by or Against Deceased Persons.

Sec. 09.55.570. All causes of action survive.

NOTES TO DECISIONS

Cited in Goodlataw v. State, Dep't of Health & Social Servs., Sup. Ct. Op. No. 2929 (File No. S-279), 698 P.2d 1190 (1985).

Original sponsors: Ellis, Koponen,
Menard and Donley

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 409 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to forgiveness of student loans of
certain health care professionals."

7

8

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9

* Section 1. AS 14.43.120 is amended by adding a new subsection to
read:

10

11

(s) If a borrower meets the conditions provided in this section

12

and is employed as a health care professional in an area determined to

13

have a health care professional shortage for the borrower's profession

14

by the United States Public Health Service under 42 U.S.C. 254(e) or

15

by the Department of Health and Social Services under AS 44.29.020(b),

16

a portion of the loan shall be paid by the state equal to the follow-

17

ing percentages of the total loan received plus interest up to a total

18

of 100 percent of the total loan: (1) one year employment, 15 per-

19

cent; (2) two years employment, an additional 15 percent; (3) three

20

years employment, an additional 15 percent; (4) four years employment,

21

an additional 25 percent; (5) five years employment, an additional 30

22

percent. In this subsection, "health care professional" means a

23

person who is licensed, certified, or otherwise authorized by the

24

state to administer health care in the ordinary course of a business

25

or practice of a profession.

26

* Sec. 2. AS 44.29.020 is amended by adding a new subsection to

27

read:

28

(b) The department shall determine by profession those geo-

29

graphic areas or institutions of the state that have a health care

1 professional shortage. The information determined under this sub-
2 section shall be provided to the Alaska Commission on Postsecondary
3 Education. In this subsection "health care professional" has the
4 meaning given in AS 14.43.120(s).

1 IN THE HOUSE

BY ELLIS AND KOPONEN

2

HOUSE BILL NO. 409

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to forgiveness of student loans of

7

certain health care providers."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.43.120 is amended by adding a new subsection to
10 read:

11 (s) If a borrower meets the conditions provided in this section
12 and is employed as a health care provider in an area determined to
13 have a health provider shortage by the United States Public Health
14 Service under 42 U.S.C. 254(e), a portion of the loan shall be paid by
15 the state equal to the following percentages of the total loan re-
16 ceived plus interest up to a total of 100 percent of the total loan:
17 (1) one year employment, 15 percent; (2) two years employment, an
18 additional 15 percent; (3) three years employment, an additional 15
19 percent; (4) four years employment, an additional 25 percent; (5) over
20 four years employment, an additional 30 percent. In this subsection,
21 "health care provider" means a person who is licensed, certified, or
22 otherwise authorized by the state to administer health care in the
23 ordinary course of business or practice of a profession.