

HB

10

Out Admitt

6-0168J
Ford
4/30/90

Original sponsors(s): REP. ELLIS, Koponen, Gruenberg, Boucher

1 IN THE HOUSE BY THE HESS COMMITTEE
 2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (HESS)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 SIXTEENTH LEGISLATURE - SECOND SESSION
 5 A BILL

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

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

11 * Section 1. AS 14.43.120(b) is amended to read:

- 12 (b) Scholarship loans may only be used to attend a
 13 (1) career education program that has been approved by the
 14 commission before July 1, 1986, or has been operating for at least one
 15 year [TWO YEARS] before the borrower attends; or
 16 (2) a college or university that
 17 (A) has been approved by the commission before July 1,
 18 1986, or has been operating for at least two years before the
 19 borrower attends;
 20 (B) is accredited by a national or regional accredita-
 21 tion association recognized by the Council on Postsecondary
 22 Accreditation or is approved by the commission; and
 23 (C) if the loans are federally insured, is approved by
 24 the United States Secretary of Education.

25 * Sec. 2. AS 14.43.120 is amended by adding new subsections to read:

26 (s) If a borrower meets the conditions provided in this section,
 27 meets the condition imposed under AS 14.43.950, if the borrower has
 28 received a tuition differential subsidy, and is employed as a health
 29 care professional in a geographical area of the state determined to

1 have a health care professional shortage for the borrower's profession
2 by the Department of Health and Social Services under AS 44.29.020(b),
3 a portion of the loan shall, subject to appropriation by the legisla-
4 ture, be paid by the state equal to the following percentages of the
5 total loan received plus interest up to a total of 70 percent of the
6 total loan: (1) one year employment, 10 percent; (2) two years em-
7 ployment, an additional 12 percent; (3) three years employment, an
8 additional 14 percent; (4) four years employment, an additional 16
9 percent; (5) five years employment, an additional 18 percent. In this
10 subsection, "health care professional" means a person who is licensed
11 as a physician or osteopath under AS 08.64.230, as a physical thera-
12 pist or occupational therapist under AS 08.84, as a registered nurse
13 under AS 08.68.190 or 08.68.200, a person practicing medicine as a
14 physician's assistant, or a person employed as a medical technician.

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

19 (u) The commission shall adopt regulations that permit a borrow-
20 er to exclude a forgiven portion of a loan from the gross income of
21 the borrower as allowed under the Internal Revenue Code.

22 * Sec. 3. AS 14.43 is amended by adding a new section to read:

23 Sec. 14.43.950. EMPLOYMENT CONDITION FOR PARTICIPANTS IN CERTAIN
24 EDUCATION PROGRAMS. As a condition of eligibility for receiving a
25 tuition differential subsidy under a program offered by the Western
26 Interstate Commission for Higher Education or the Alaska Commission on
27 Postsecondary Education under AS 14.42.030(d), a program participant
28 shall agree to be employed in the state for a period of at least six
29 months for each school year of participation in the program. A person

1 who does not meet the employment requirements of this section within
2 four years after completing the person's subsidized education shall
3 pay to the state 50 percent of the tuition differential subsidy re-
4 ceived by the person plus interest at the rate provided for scholar-
5 ship loans under AS 14.43.120(f). Interest under this section begins
6 to accrue one year after the person completes the subsidized education
7 program.

8 * Sec. 4. AS 44.29.020 is amended by adding a new subsection to read:

9 (b) The department shall, by September 30 of each year, prepare
10 a report that (1) lists by profession those geographic areas of the
11 state that have a health care professional shortage, (2) identifies
12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
18 graphic areas with a health care professional shortage. In this
19 subsection "health care professional" has the meaning given in AS 14.-
20 43.120(s).

21 * Sec. 5. APPLICABILITY. (a) Sections 2 and 4 of this Act apply to a
22 person's employment as a health care professional that occurs after July 1,
23 1990.

24 (b) Section 3 of this Act applies to a person who begins an education
25 program and who receives a tuition differential subsidy on or after
26 January 1, 1991.

27 * Sec. 6. This Act takes effect July 1, 1990.
28
29

Original sponsors(s): PEP. ELLIS, Koponen, Gruenberg, Boucher

1 IN THE HOUSE

BY THE HESS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

11 * Section 1. AS 14.43.120(b) is amended to read:

12 (b) Scholarship loans may only be used to attend a

13 (1) career education program that has been approved by the
14 commission before July 1, 1986, or has been operating for at least one
15 year [TWO YEARS] before the borrower attends; or

16 (2) a college or university that

17 (A) has been approved by the commission before July 1,
18 1986, or has been operating for at least two years before the
19 borrower attends;

20 (B) is accredited by a national or regional accredita-
21 tion association recognized by the Council on Postsecondary
22 Accreditation or is approved by the commission; and

23 (C) if the loans are federally insured, is approved by
24 the United States Secretary of Education.

25 * Sec. 2. AS 14.43.120 is amended by adding new subsections to read:

26 (s) If a borrower meets the conditions provided in this section,
27 meets the condition imposed under AS 14.43.950, if the borrower has
28 received a tuition differential subsidy, and is employed as a health
29 care professional in a geographical area of the state determined to

1 have a health care professional shortage for the borrower's profession
2 by the Department of Health and Social Services under AS 44.29.020(b),
3 a portion of the loan shall, subject to appropriation by the legisla-
4 ture, be paid by the state equal to the following percentages of the
5 total loan received plus interest up to a total of 70 percent of the
6 total loan: (1) one year employment, 10 percent; (2) two years em-
7 ployment, an additional 12 percent; (3) three years employment, an
8 additional 14 percent; (4) four years employment, an additional 16
9 percent; (5) five years employment, an additional 18 percent. In this
10 subsection, "health care professional" means a person who is licensed
11 as a physician or osteopath under AS 08.64.230, as a physical thera-
12 pist or occupational therapist under AS 08.84, as a registered nurse
13 under AS 08.68.190 or 08.68.200, a person practicing medicine as a
14 physician's assistant, or a person employed as a medical technician.

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

19 (u) The commission shall adopt regulations that permit a borrow-
20 er to exclude a forgiven portion of a loan from the gross income of
21 the borrower as allowed under the Internal Revenue Code.

22 * Sec. 3. AS 14.43 is amended by adding a new section to read:

23 Sec. 14.43.950. EMPLOYMENT CONDITION FOR PARTICIPANTS IN CERTAIN
24 EDUCATION PROGRAMS. As a condition of eligibility for receiving a
25 tuition differential subsidy under a program offered by the Western
26 Interstate Commission for Higher Education or the Alaska Commission on
27 Postsecondary Education under AS 14.42.030(d), a program participant
28 shall agree to be employed in the state for a period of at least six
29 months for each school year of participation in the program. A person

1 who does not meet the employment requirements of this section within
2 four years after completing the person's subsidized education shall
3 pay to the state 50 percent of the tuition differential subsidy re-
4 ceived by the person plus interest at the rate provided for scholar-
5 ship loans under AS 14.43.120(f). Interest under this section begins
6 to accrue one year after the person completes the subsidized education
7 program.

8 * Sec. 4. AS 44.29.020 is amended by adding a new subsection to read:

9 (b) The department shall, by September 30 of each year, prepare
10 a report that (1) lists by profession those geographic areas of the
11 state that have a health care professional shortage, (2) identifies
12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
18 graphic areas with a health care professional shortage. In this
19 subsection "health care professional" has the meaning given in AS 14.-
20 43.120(s).

21 * Sec. 5. APPLICABILITY. (a) Sections 2 and 4 of this Act apply to a
22 person's employment as a health care professional that occurs after July 1,
23 1990.

24 (b) Section 3 of this Act applies to a person who begins an education
25 program and who receives a tuition differential subsidy on or after
26 January 1, 1991.

27 * Sec. 6. This Act takes effect July 1, 1990.
28
29

6-0168J
Ford
4/16/90

Original sponsors(s): REP. ELLIS, Koponen, Gruenberg, Boucher

1 IN THE HOUSE

BY THE HESS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

11 * Section 1. AS 14.43.120(b) is amended to read:

12 (b) Scholarship loans may only be used to attend a

13 (1) career education program that has been approved by the
14 commission before July 1, 1986, or has been operating for at least one
15 year [TWO YEARS] before the borrower attends; or

16 (2) a college or university that

17 (A) has been approved by the commission before July 1,
18 1986, or has been operating for at least two years before the
19 borrower attends;

20 (B) is accredited by a national or regional accredita-
21 tion association recognized by the Council on Postsecondary
22 Accreditation or is approved by the commission; and

23 (C) if the loans are federally insured, is approved by
24 the United States Secretary of Education.

25 * Sec. 2. AS 14.43.120 is amended by adding new subsections to read:

26 (s) If a borrower meets the conditions provided in this section,
27 meets the condition imposed under AS 14.43.950, if the borrower has
28 received a tuition differential subsidy, and is employed as a health
29 care professional in a geographical area of the state determined to

1 have a health care professional shortage for the borrower's profession
2 by the Department of Health and Social Services under AS 44.29.020(b),
3 a portion of the loan shall, subject to appropriation by the legisla-
4 ture, be paid by the state equal to the following percentages of the
5 total loan received plus interest up to a total of 70 percent of the
6 total loan: (1) one year employment, 10 percent; (2) two years em-
7 ployment, an additional 12 percent; (3) three years employment, an
8 additional 14 percent; (4) four years employment, an additional 16
9 percent; (5) five years employment, an additional 18 percent. In this
10 subsection, "health care professional" means a person who is licensed
11 as a physician or osteopath under AS 08.64.230, as a physical thera-
12 pist or occupational therapist under AS 08.84, as a registered nurse
13 under AS 08.68.190 or 08.68.200, or a person practicing medicine as a
14 physician's assistant.

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

19 (u) The commission shall adopt regulations that permit a borrow-
20 er to exclude a forgiven portion of a loan from the gross income of
21 the borrower as allowed under the Internal Revenue Code.

22 * Sec. 3. AS 14.43 is amended by adding a new section to read:

23 Sec. 14.43.950. EMPLOYMENT CONDITION FOR PARTICIPANTS IN CERTAIN
24 EDUCATION PROGRAMS. As a condition of eligibility for receiving a
25 tuition differential subsidy under a program offered by the Western
26 Interstate Commission for Higher Education or the Alaska Commission on
27 Postsecondary Education under AS 14.42.030(d), a program participant
28 shall agree to be employed in the state for a period of at least six
29 months for each school year of participation in the program. A person

1 who does not meet the employment requirements of this section within
2 four years after completing the person's subsidized education shall
3 pay to the state 50 percent of the tuition differential subsidy re-
4 ceived by the person plus interest at the rate provided for scholar-
5 ship loans under AS 14.43.120(f). Interest under this section begins
6 to accrue one year after the person completes the subsidized education
7 program.

8 * Sec. 4. AS 44.29.020 is amended by adding a new subsection to read:

9 (b) The department shall, by September 30 of each year, prepare
10 a report that (1) lists by profession those geographic areas of the
11 state that have a health care professional shortage, (2) identifies
12 the number of health care professionals employed in each area of
13 shortage, and (3) recommends changes to the health care professional
14 loan forgiveness program under AS 14.43.120(s). The report prepared
15 under this subsection shall be provided to the Alaska Commission on
16 Postsecondary Education. The commissioner of health and social ser-
17 vices shall adopt regulations regarding the determination of geo-
18 graphic areas with a health care professional shortage. In this
19 subsection "health care professional" has the meaning given in AS 14.-
20 43.120(s).

21 * Sec. 5. APPLICABILITY. (a) Sections 2 and 4 of this Act apply to a
22 person's employment as a health care professional that occurs after July 1,
23 1990.

24 (b) Section 3 of this Act applies to a person who begins an education
25 program and who receives a tuition differential subsidy on or after
26 January 1, 1991.

27 * Sec. 6. This Act takes effect July 1, 1990.
28
29

STATE OF ALASKA

STEVE COWPER, GOVERNOR


ALASKA COMMISSION ON POSTSECONDARY EDUCATION

P.O. BOX 4P
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

M E M O R A N D U M

TO: Members of the Senate Health, Education, and Social
Services Committee

The Honorable Paul Fischer, Chair
The Honorable Jim Duncan, Vice Chair
The Honorable Al Adams
The Honorable Lloyd Jones
The Honorable Tim Kelly

FROM: Jane Byers Maynard, Executive Director 
Alaska Commission on Postsecondary Education

SUBJECT: CSHB 10: An Act Relating to Forgiveness of
Student Loans of Certain Health Care Professionals

DATE: April 30, 1990

This memo is in response to the Committee's April 25 request for additional information concerning CSHB 10.

1. Cost Per Student. The attached table shows the potential cost per student for each year of forgiveness assuming maximum student loan debt incurred over the number of years of study necessary to complete the professional degree in each field.

Please note that these amounts are shown up to the maximum 70% forgiveness versus more conservative fiscal note costs which assume that the average forgiveness received will be 36% (i.e., 3 of 5 years of eligible forgiveness).

2. Source of Funds to Cover Forgiveness. It was asked in Committee if forgiveness costs could be covered by bond proceeds or loan program receipts in lieu of general fund support. Our Alaska Student Loan Bond Counsel states that legislation cannot be enacted which would impair contract rights of bond holders. Bond proceeds can be used only for loan originations. Program receipts from loan repayments which end up in the carry forward fund can be withdrawn once every six months subject to 1) AMBAC insurance approval and 2) cash flow analysis to insure at least 150% debt coverage. These funds are used to originate more loans and to cover program expenses.

Members of the Senate Health,
Education, and Social Services Committee
April 30, 1990
Page 2

As a matter of policy, the Bond Counsel states that it would be unwise to use these funds for a purpose such as forgiveness coverage which does not create additional revenue (unlike loan origination which does). Instead, such useage would have the ultimate effect of reducing debt service coverage at a faster rate and will delay the date the loan program will become self-sustaining.

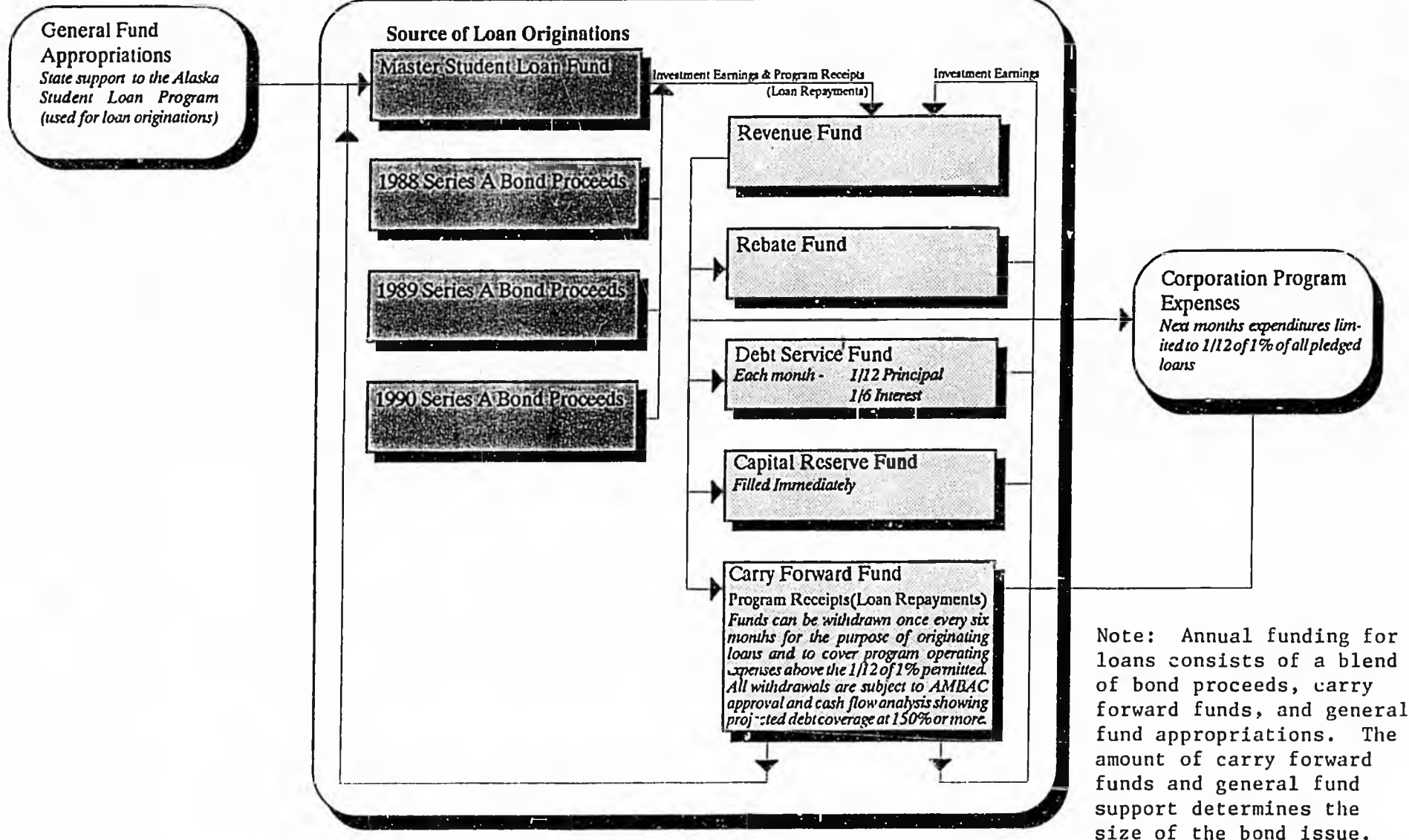
3. Letter of Intent. The letter of intent accompanying the bill insures that our Agency will notify borrowers that forgiveness is subject to legislative appropriation. This would be done in borrower promissory notes.

Attachments

cc: The Honorable Johnny Ellis
Alaska House of Representatives

Alaska Student Loan Corporation

INDENTURE



CS HB10 POTENTIAL COST PER STUDENT

FIELD	ASL DEBT*	FORGIVENESS INCREMENTS**					
		10% 1st year	12% 2nd year	14% 3rd year	16% 4th year	18% 5th year	70% 5 year total
Doctor (8 years)	\$48,000	\$5,428	\$6,388	\$7,348	\$8,308	\$9,268	\$36,740
Nurse LPN (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Nurse RN (4 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Occupational Therapy (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy MS (5 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Physician's Assistant (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Medical Technician AS (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Medical Technician BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840

* Principle only

** Including interest

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

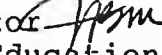
STEVE COWPER, GOVERNOR

P.O BOX FP
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

MEMORANDUM

TO: Members of the Senate Health, Education, and Social Services Committee

The Honorable Paul Fischer, Chair
The Honorable Jim Duncan, Vice Chair
The Honorable Al Adams
The Honorable Lloyd Jones
The Honorable Tim Kelly

FROM: Jane Byers Maynard, Executive Director 
Alaska Commission on Postsecondary Education

SUBJECT: CS.B 10: An Act Relating to Forgiveness of Student Loans of Certain Health Care Professionals

DATE: April 30, 1990

This memo is in response to the Committee's April 25 request for additional information concerning CSHB 10.

1. Cost Per Student. The attached table shows the potential cost per student for each year of forgiveness assuming maximum student loan debt incurred over the number of years of study necessary to complete the professional degree in each field.

Please note that these amounts are shown up to the maximum 70% forgiveness versus more conservative fiscal note costs which assume that the average forgiveness received will be 36% (i.e., 3 of 5 years of eligible forgiveness).

2. Source of Funds to Cover Forgiveness. It was asked in Committee if forgiveness costs could be covered by bond proceeds or loan program receipts in lieu of general fund support. Our Alaska Student Loan Bond Counsel states that legislation cannot be enacted which would impair contract rights of bond holders. Bond proceeds can be used only for loan originations. Program receipts from loan repayments which end up in the carry forward fund can be withdrawn once every six months subject to 1) AMBAC insurance approval and 2) cash flow analysis to insure at least 150% debt coverage. These funds are used to originate more loans and to cover program expenses.

Members of the Senate Health,
Education, and Social Services Committee
April 30, 1990
Page 2

As a matter of policy, the Bond Counsel states that it would be unwise to use these funds for a purpose such as forgiveness coverage which does not create additional revenue (unlike loan origination which does). Instead, such useage would have the ultimate effect of reducing debt service coverage at a faster rate and will delay the date the loan program will become self-sustaining.

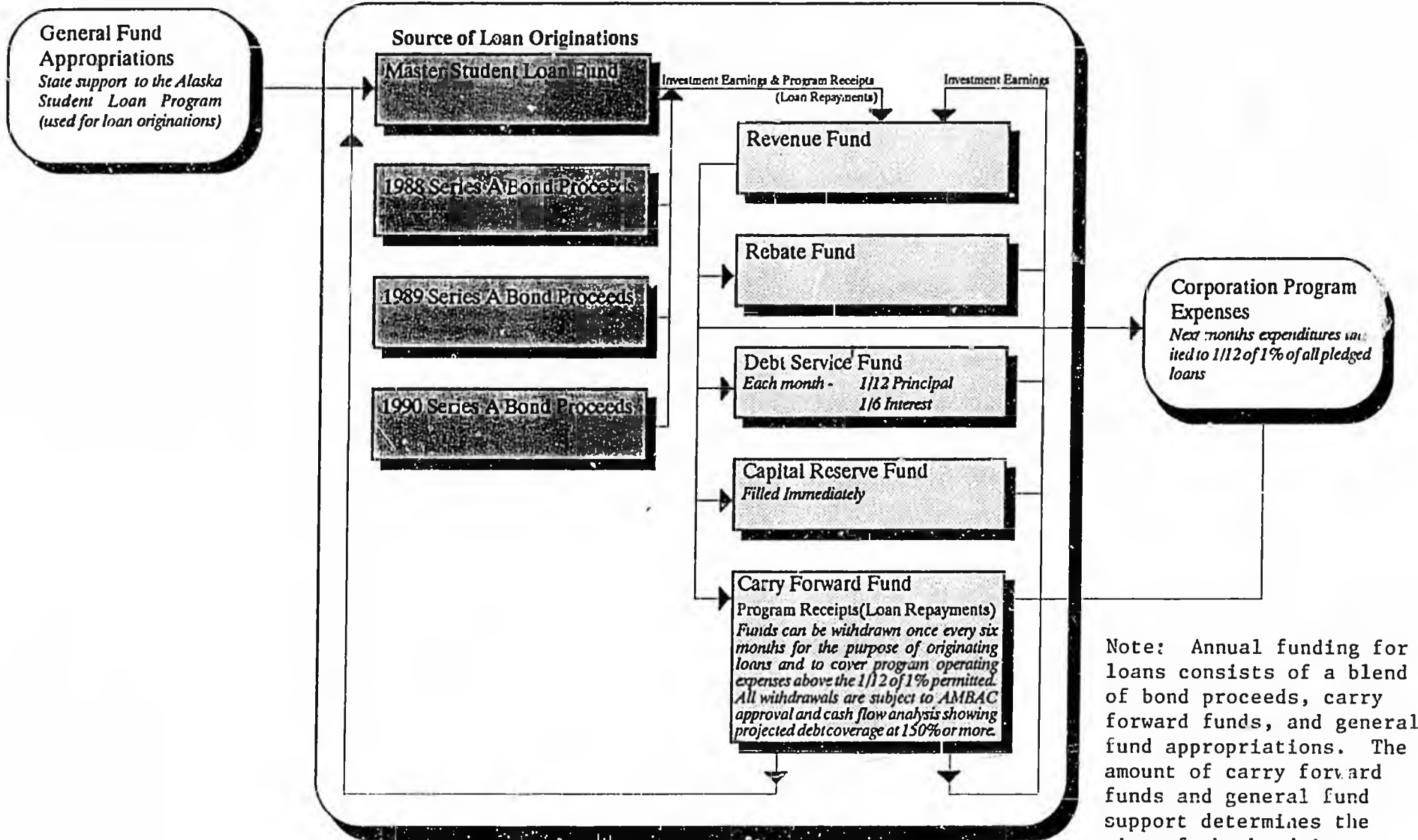
3. Letter of Intent. The letter of intent accompanying the bill insures that our Agency will notify borrowers that forgiveness is subject to legislative appropriation. This would be done in borrower promissory notes.

Attachments

cc: The Honorable Johnny Ellis
Alaska House of Representatives

Alaska Student Loan Corporation

INDENTURE



CS HB10 POTENTIAL COST PER STUDENT

FIELD	ASL DEBT*	FORGIVENESS INCREMENTS**					
		10% 1st year	12% 2nd year	14% 3rd year	16% 4th year	18% 5th year	70% 5 year total
Doctor (8 years)	\$48,000	\$5,428	\$6,388	\$7,348	\$8,308	\$9,268	\$36,740
Nurse LPN (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Nurse RN (4 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Occupational Therapy (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Physical Therapy MS (5 years)	28,500	3,223	3,793	4,363	4,933	5,503	21,815
Physician's Assistant (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840
Medical Technician AS (2 years)	11,000	1,244	1,464	1,684	1,904	2,124	8,420
Medical Technician BS (4 years)	22,000	2,488	2,928	3,368	3,808	4,248	16,840

* Principle only

** Including interest

CS HB 10 (HESS) AM

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

CS HB 10 (HESS) would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in 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:

Katherine A. Kelley
Katherine A. Kelley, Dr.P.H.
Director
Division of Public Health

Date:

Approved by:

Myra V. Munson
Myra V. Munson
Commissioner
Department of Health and
Social Services

Date:

April 26, 1990
UPDATER

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Health & Social Services
 Title: Relating to forgiveness of BRU: State Health Services
student loans of health care prof.
 Sponsor: Ellis, et al. Components: Public Health Administration
 Requester: Senate HESS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
Personal Services						
Travel						
Contractual		21.5				
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0.0	21.5	0.0	0.0	0.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
----------------	------------	------------	------------	------------	------------	------------

FUNDING: (Thousands of Dollars)

General Funds	0.0	21.5	0.0	0.0	0.0	0.0
Federal Funds						
Other						
TOTAL	0.0	21.5	0.0	0.0	0.0	0.0


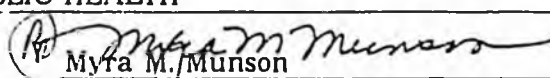
POSITIONS

Full-Time		0				
Part-Time		0				
Temporary		0				

ANALYSIS: (attach a separate page if necessary)

No fiscal impact in FY 90.

See attached analysis for FY 91.

Prepared By: Katherine A. Kelly, Dr. P.H. 
 Division: PUBLIC HEALTH
 Approved By Commissioner: 
 Agency: HEALTH & SOCIAL SERVICES

Phone: 465-3090
 Date: 04/26/90
 Date: 4/26/90

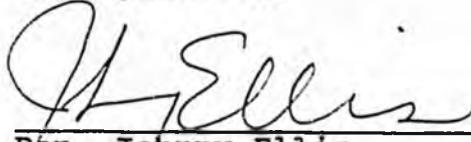
Distribution (by preparer):

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



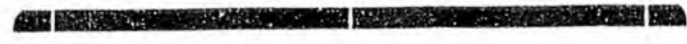
HOUSE HESS COMMITTEE
LETTER OF INTENT CSHB 10 (HESS)

It is the intent of the 16th Alaska State Legislature in passing HB 10, that the Commission on Postsecondary Education in writing clearly inform borrowers potentially eligible under A.S. 14.43.120(s) that forgiveness is subject to legislative appropriation.



Rep. Johnny Ellis
Chairman

March 6 1989
Date of Adoption



FISCAL NOTE

REQUEST:

Revision Date: March 12, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: House Finance

Agency Affected: Education
 BRU: Postsecondary Ed Student Loan Corp
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	36.6	80.5	131.8	136.2	140.1
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	36.6	80.5	131.8	136.2	140.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: March 13, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

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

Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for students of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, and occupational graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 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>	<u>94-95</u>
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Total	107	108	108	111	116	118	120

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	36,600
1991-92	80,520
1992-93	131,760
1993-94	136,160
1994-95	140,120

FISCAL NOTE

REQUEST:

Revision Date: March 13, 1990
 Title: "Forgiveness of student loans/
 health professionals"
 Sponsor: Ellis
 Requestor: _____

Agency Affected: HSS
 BRU: State Health Svcs.
 Components: Public health Admin.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	21.5	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	21.5	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	21.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	21.5	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: 3/13/90
 Approved by Commissioner: *Lyman Hoffman* Date: 3/13/90
 Agency: Co-Chairmen, House Finance

Distribution (by preparer):

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

In order for the Department of Health and Social Services to establish the health professional shortage designation system in a timely manner, limited contractual services would be required during the first year. This additional cost would be necessary due to limited availability of Division of Public Health Staff to focus on developing a information system which could be readily maintained to provide the Alaska Commission on Post Secondary Education the necessary information.

It is anticipated that once a computerized system was established, the information could be updated on annual basis utilizing existing personnel and equipment.

Contractual Line 73000

Professional Services: Personal Services contract for the purpose of developing the health professional shortage designation regulations, conducting the public review and adoption of the regulations, establishing a data base to be updated and monitored by department staff, and developing the initial shortage area designation for the Alaska Commissioner on Post Secondary Education. 4 months at \$5.0 per month \$20.0

Communication: Printing of regulations, public notification of regulations and program availability, teleconference for public hearings in the regulation adoption process. \$ 1.5

Total Contract Line \$ 21.5

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

HB 10 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in 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: 1/19/89

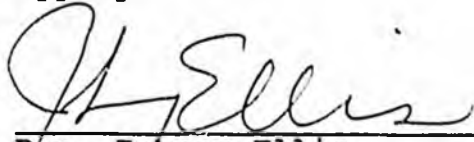
Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: 1/24/89



HOUSE HESS COMMITTEE
LETTER OF INTENT CSHB 10 (HESS)

It is the intent of the 16th Alaska State Legislature in passing HB 10, that the Commission on Postsecondary Education in writing clearly inform borrowers potentially eligible under A.S. 14.43.120(s) that forgiveness is subject to legislative appropriation.



Rep. Johnny Ellis
Chairman

March 6 1989
Date of Adoption

FISCAL NOTE

REQUEST:

Revision Date: March 12, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: House Finance

Agency Affected: Education
 BRU: Postsecondary Ed Student Loan Corp
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	36.6	80.5	131.8	136.2	140.1
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	36.6	80.5	131.8	136.2	140.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: March 13, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

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

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for students of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, and occupational graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 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>	<u>94-95</u>
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Total	107	108	108	111	116	118	120

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	36,600
1991-92	80,520
1992-93	131,760
1993-94	136,160
1994-95	140,120

FISCAL NOTE

Revision Date: March 13, 1990
 Title: "Forgiveness of student loans/
 health professionals"
 Sponsor: Ellis
 Requestor: _____

Agency Affected: HSSS
 BRU: State Health Svcs.
 Components: Public health Admin

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	21.5	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	21.5	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	21.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	21.5	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Updated from previous year.

Prepared by: Rep. Lyman Hoffman & Rep. Ron Larson Phone: 3757
 Division: House Finance Committee Date: 3/13/90
 Approved by Commissioner: *Lyman Hoffman* Date: 3/13/90
 Agency: Co-Chairmen, House Finance

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

In order for the Department of Health and Social Services to establish the health professional shortage designation system in a timely manner, limited contractual services would be required during the first year. This additional cost would be necessary due to limited availability of Division of Public Health Staff to focus on developing a information system which could be readily maintained to provide the Alaska Commission on Post Secondary Education the necessary information.

It is anticipated that once a computerized system was established, the information could be updated on annual basis utilizing existing personnel and equipment.

Contractual Line 73000

Professional Services: Personal Services contract for the purpose of developing the health professional shortage designation regulations, conducting the public review and adoption of the regulations, establishing a data base to be updated and monitored by department staff, and developing the initial shortage area designation for the Alaska Commissioner on Post Secondary Education. 4 months at \$5.0 per month \$20.0

Communication: Printing of regulations, public notification of regulations and program availability, teleconference for public hearings in the regulation adoption process. \$ 1.5

Total Contract Line \$ 21.5

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

HB 10 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in 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: 1/19/89

Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: 1/24/89

FISCAL NOTE

REQUEST:

Revision Date: April 25, 1990
 Title: Forgiveness of student loans of Health Care Providers
 Sponsor: Ellis
 Requestor: Senate HESS

Agency Affected: Education
 BRU: Postsecondary Education Student Loan Corp.
 Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars) *phy.*

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	41.2	83.8	137.3	142.1	145.3
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	41.2	83.8	137.3	142.1	145.3
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

50/100 -

Prepared by: Jane Byers Maynard, Executive Director Phone: 2854
 Division: Alaska Commission on Postsecondary Education Date: April 25, 1990

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

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

Wiche →

Not gen funds

Analysis of Fiscal Impact

A. Assumptions

1. The current student loan population is representative of the future attendance patterns for student of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, occupational therapy and medical technology graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 years
Medical Technology	3 years

B. Projections

Graduates by Field

<u>Field</u>	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Medical Profession	32	32	31	32	33	34	35
Nursing	67	67	68	70	71	72	73
Occupational Therapy	2	3	3	3	3	4	4
Physical Therapy	4	4	4	4	5	5	5
Physician Assistant	2	2	2	2	3	3	3
Medical Technologist	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total	109	110	110	113	119	121	123

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	41,220
1991-92	83,820
1992-93	137,370
1993-94	142,160
1994-95	145,330

APR 23 1990

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. JONES

TO: SCS CSHB 10 (HESS)

Page 2, line 13, after "08.68.200":

Delete "or"

Page 2, line 14, after "assistant":

Insert ", or employed as a medical technologist"

Physicians
P.A. WAMI
Wicki

from the College of American Pathologists upon completion of each inspection.

(d) In this section, "nationally recognized proficiency test program" means a proficiency test program that is recognized by the American Association of Bioanalysts, Center for Disease Control, College of American Pathologists, or any other nationally recognized testing authority.

(e) In this section, "successfully" means at least three out of four survey-set results for each testing service are graded as acceptable by proficiency testers. (Eff. 11/19/83, Register 88)

Authority: AS 18.05.040
AS 18.20.010
AS 18.20.060

7 AAC 12.830. MAILING OF LABORATORY SPECIMENS. A laboratory specimen may be referred and mailed only to an approved laboratory. The mailing containers to be used must be provided by the laboratory to which the specimens are sent. (Eff. 11/19/83, Register 88)

Authority: AS 18.05.040
AS 18.20.010
AS 18.20.060

7 AAC 12.840. SUPERVISION AND DIRECTION OF LABORATORY SERVICE. (a) A laboratory must be under the supervision and direction of one of the following:

(1) a physician who meets the requirements of (e) of this section, and who is employed by the laboratory or who is a consulting physician under contract to the laboratory;

(2) a laboratory specialist who meets the requirements of (g) of this section and who is employed by the laboratory or who is under contract to the laboratory; or

(3) a medical technologist employed by the laboratory who meets the requirements of (f) of this section.

(b) If a medical technologist described in (a)(3) of this section is supervising the laboratory under contract, then a consulting physician supervising the laboratory or a laboratory specialist supervising the laboratory under contract must make quarterly visits to the laboratory, and prepare a written evaluation with recommendations to the administrator and medical staff of the facility following each visit. For a consulting physician, up to two of the required visits and evaluations may be made by his or her representative who is a medical technologist competent in one or more laboratory specialties. If a medical technologist described in (a)(3) of this section supervises a laboratory, then either a consulting physician under (a)(1) of this section or a

contracted labor at least biannually and recordation and recording.

(c) A person must meet at least the level of proficiency set forth in this section.

(d) A medical technician.

(e) A physician

(1) be certified by the American Board of Pathology or by the department;

(2) be certified in one or more specialties by the American Osteopathic Association, the Board of Biology, the Board of Biochemistry, or the department;

(3) after a minimum of five years of general laboratory experience, at least two years were spent in laboratory specialties in a laboratory;

(f) A medical technologist must meet the following requirements:

(1) have completed at least two years of working with medical technology while working in a laboratory; and

(2) participate in continuing education and management testing services for the laboratory.

(g) A laboratory specialist of this section must be in agreement with a consulting physician and

(1) be certified by the American Association of Bioanalysts, the department;

(2) after a minimum of five years of general laboratory experience, at least two years were spent in laboratory specialties.

completion of each
ency test program"
ed by the American
Control, College of
ognized testing au-
st three out of four
ed as acceptable by

Y SPECIMENS. A
nly to an approved
be provided by the
11/19/83, Register

TION OF LABO-
ler the supervision

(e) of this section
consulting phys-

irements of (g), of
y or who is under

laboratory who meets

of this section
consulting phys-
ialist supervising
visits to the labo-
mendations to the
ing each visit. For
visits and evalu-
who is a medical
pecialties. If a med-
pervises a laboro-
of this section of

contracted laboratory specialist under (a)(2) of this section must make at least biannual visits to the laboratory and prepare a written evaluation and recommendations following the visits.

(c) A person who exercises supervisory responsibility must have at least the level of training of a medical technologist described in (i) of this section.

(d) A medical technologist must provide direct supervision to technicians.

(e) A physician described in (a)(1) of this section must

(1) be certified in anatomical and clinical pathology by the American Board of Pathology or the American Osteopathic Board of Pathology or be eligible for board certification, as determined by the department;

(2) be certified by the American Board of Pathology or the American Osteopathic Board of Pathology in at least one of the laboratory specialties, or be certified by the American Board of Medical Microbiology, the American Board of Clinical Chemistry, the American Board of Bioanalysis, or other national accrediting board acceptable to the department in one of the laboratory specialties; or

(3) after graduation, have had four or more years of full-time general laboratory training and experience, of which at least two years were spent acquiring proficiency in one of the laboratory specialties in an approved laboratory.

(f) A medical technologist who supervises a laboratory under (a)(3) must meet the following requirements:

(1) have at least six years of full-time laboratory experience working with human body fluids, after the date of qualifying as a medical technologist, of which not less than two years was spent working in a particular laboratory specialty in an approved laboratory; and

(2) participate in continuing education in laboratory supervisory and management skills and laboratory testing skills in at least one testing service as described in 7 AAC 12.850, offered by the laboratory.

(g) A laboratory specialist who supervises a laboratory under (a)(2) of this section must have a doctoral degree from an accredited institution with a chemical, physical, or biological science as a major subject, and

(1) be certified by the American Board of Medical Microbiology, the American Board of Clinical Chemistry, the American Board of Bioanalysis, or other national accrediting board acceptable to the department in one of the laboratory specialties, or

(2) after graduation, have had four or more years of full-time general clinical laboratory training and experience, of which at least two years were spent acquiring proficiency in one of the laboratory specialties in an approved laboratory.

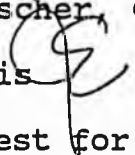
HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES



P.O. BOX V, JUNEAU 99811
(907) 465-3759

MEMORANDUM

TO: Senator Paul Fischer, Chair, Senate HESS Committee
FROM: Rep. Johnny Ellis 
RE: Scheduling request for HB 10
DATE: April 2, 1990

I would sincerely appreciate if you could schedule HB 10 at your earliest possible convenience. This bill contains several important provisions regarding assistance for Alaskan post-secondary students.

House Bill 10 provides for the forgiveness of student loans for students who return to Alaska to work in certain health care professions in areas of the state which are medically underserved. I can provide your committee with ample documentation and testimony proving that there are severe shortages in the health care professions throughout Alaska. While this bill will not fully solve this problem it will provide some relief.

There were two important amendments added to HB 10 on the House floor. Representative Gruenberg offered an amendment that would require the Commission on Post-Secondary Education to adopt regulations permitting student loan recipients to exclude the forgiven portions of their loans from taxation by the IRS. Under section 108(f) of the internal revenue code, forgiven loans are not taxable "if the individual worked for a certain period of time in certain professions for any of a broad class of employers". The intent of HB 10 is to require the Commission to develop a mechanism so that Alaska student loan recipients could qualify under this provision.

Another important amendment to HB 10 was offered by Representative Hanley. As amended, HB 10 would require WAMI and WICHE program participants to return to Alaska to work in their fields (health fields are the only ones currently offered), or else they would have to pay back part of the state subsidy for their education. This amendment is an additional means of encouraging trained Alaskans to help alleviate the health care professional shortage in Alaska.

Thank you for your consideration of this request.



HEALTH CARE COALITION OF ALASKA

April 10, 1990

Honorable Paul Fischer
Chairman
Health, Education and Social Services Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Fischer:

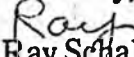
The Health Care Coalition of Alaska urges your support and quick passage of House Bill 10.

The Health Care Coalition endorses the concept that provides for the forgiveness of student loans for certain health care professionals choosing to practice in the state of Alaska. The difficulty in retaining and attracting health care professionals continues to be extremely difficult.

The Health Care Coalition (HCC) would, however, seek to extend the definition of health care professionals covered under this legislation to include licensed dentists, registered pharmacists, and health care administrators.

We would encourage you to consider an amendment including the above health care professionals so as to more comprehensively foster the return of needed providers to our state.

Sincerely,


Ray Schalow
Chairman

Letters of Support

ALASKA ACADEMY OF PHYSICIANS ASSISTANTS • ALASKA PHARMACEUTICAL ASSOCIATION • ALASKA PUBLIC HEALTH ASSOCIATION
ALASKA STATE MEDICAL ASSOCIATION • HEALTH ASSOCIATION OF ALASKA • ALASKA NATIVE HEALTH BOARD • ALASKA NURSES ASSOCIATION • ALASKA DENTAL SOCIETY

working together . . . caring together

4107 Laurel Street

Anchorage, AK 99508

(907) 562-2662

Fax 561-2063

APR 03 1990

Fairbanks, Ak.
March 31, 1990

Senator Paul Fischer
Alaska State Senate
Capitol, Room 508
Juneau, Ak. 99811

Dear Senator Fischer,

I recently read in the March 24th issue of the Anchorage Daily News that the House of Representatives approved HB 10, which would allow doctors, nurses, doctor's assistants, and physical or occupational therapists to earn forgiveness on up to 70% of their student loans by working in Alaska for at least 5 years after graduation. The bill has now gone on to the Senate for approval.

I would like to see Medical Technologists (Clinical Laboratory Scientists) added to that list of health care professionals included in HB 10. There is an acute shortage of laboratory professionals nationwide. Statistics show that the employment of new graduates is virtually 100%, indication that the available worker pool is significantly less than the number of jobs open. (CLS-Jan. 1990).

The shortage is expected to grow. There are fewer people entering into our profession due to the AIDS scare. The increase in drug testing and other laboratory procedures are increasing the workload. There is a dramatic increase in the number of job ads and employment inducements offered in our professional magazines.

I believe it would be to our advantage to encourage our students to not only enter into the laboratory field, but also to stay in Alaska to work. I would hope that you would suggest an amendment of HB10 to include Medical Technologists.

Sincerely,



Elaine LaParle MT(ASCP)(ASMT)

Microbiologist, Fairbanks Memorial Hospital

Ketchikan General Hospital

3100 TONGASS AVE.
KETCHIKAN, ALASKA 99901
PHONE 907-225-5171
FAX 907-225-2173

March 30, 1990

APR 02 1990

Senator Lloyd Jones
Alaska State Senate
Capitol, Room 9
P.O. Box V
Juneau, Alaska 99811

Dear Senator:

It has come to my attention that the Senate has received from the House of Representatives a bill (HB 10) aimed at encouraging health professionals to practice in Alaska. By returning to Alaska to work, a substantial portion of their student loans would be forgiven. I heartily agree with this proposal, but I feel it is essential to include laboratory professionals. We may not be as visible as nurses or doctors but our services are indispensable - just ask any physician - and our need is great.

Laboratory professionals are in short supply and that shortage is becoming more critical every year. When I advertised a position in 1983, I received 125 responses; when I advertised in 1988, I received only a dozen responses. Because laboratory workers are constantly dealing with blood, the risk of exposure to blood-borne infectious agents (such as the AIDS & hepatitis viruses) is high. Many people are not willing to take that risk. In addition, reimbursement cut-backs have forced many hospitals to close their medical technology internship programs for lack of funds.

It takes 4-5 years to become a medical technologist (depending upon whether your hospital internship is part of, or in addition to, your 4-year degree program). We need to encourage people to enter the profession as well as to bring their skills back to Alaska to practice. HB 10 will do both, and I urge you to include laboratory professionals in this bill.

Sincerely,



Fern T. Jarrett, M.S., MT(ASCP)
Laboratory Director

FTJ:cj

cc: Myra Munson, AK HSS Commissioner
Jane Byers Maynard, Director, Student Loan Program
Paul Fischer, Chairman, Senate Health, Educ. & Social Services Committee

KGH

APR 07 1989

April 5, 1988

To whom it may concern:

I am writing this letter on my own behalf, and the behalf of others considering entering a nursing program. This is in regard to House Bill #10 that would forgive up to 70% of an Alaska student loan for registered nurses, physical and occupational therapists, and physicians assistants, if one continues to remain in Alaska and work upon graduation for a minimum of five years.

I am presently pursuing a degree in nursing and plan on remaining in Alaska upon graduation. I would personally benefit highly if HB #10 passes, as would those others already actively or considering pursuing a nursing degree. House Bill #10 is a good incentive for people who are on low income or who are considering returning to school. I sincerely hope that this bill is given serious consideration as it passes before you, and that you keep in mind all those who would like to return to school but cannot afford to.

Sincerely,

Mary E. Robertson

Mary E. Robertson
P.O. Box 210626
Wike Bay, AK. 99821-0626
739-1784