

Report on Status of Early Primary Care Pilot Program

(FY2018 Appropriation Act - Public Act 107 of 2017)

April 1, 2018

Sec. 1147. (1) From the funds appropriated in part 1 for primary care services, \$1,000,000.00 shall be appropriated for the first year of a 6-year early primary care pilot program to facilitate the placement of physicians in medically underserved areas of this state. The early primary care pilot program format includes all of the following:

- (a) Recruitment of interested physicians before completion of first year of residency.
 - (b) To participate in the pilot program, a physician must do all of the following:
 - (i) Complete 1 year of post-graduate education.
 - (ii) Complete and pass all 3 parts of a national licensing board examination.
 - (iii) Obtain an unrestricted license to engage in the practice of osteopathic medicine and surgery or an unrestricted license to engage in the practice of medicine in this state.
 - (c) A participating physician shall enter into a contract to work with an employer for no less than 2 years in a federally underserved rural or urban area in this state, beginning the year following completion of 1 year of post-graduate education.
 - (d) The employer shall employ the physician at a competitive salary. A contractual employer may include, but is not limited to, a private practice physician or physician group, a hospital or hospital system, a community clinic, or a federally qualified health center.
 - (e) Assistance with repayment of medical education loans of the participating physician shall be provided through local, state, federal, or other sources during the employment period, with a target assistance amount of \$50,000.00 over 2 years.
 - (f) Upon completion of the 2-year employment period, participating physicians may reenter and complete a post-graduate residency program.
- (2) The department shall seek philanthropic support for the early primary care pilot program to achieve increased participation and may use state funds to match philanthropic contributions.
- (3) The department shall contract with the Michigan Health Council for the purpose of administering the early primary care pilot program. Funds shall be disbursed by the department to the Michigan Health Council by December 1 of the current fiscal year for this purpose.
- (4) Use of funds for administration of the early primary care pilot program is limited to no more than 10% of the total of all sources of funding.
- (5) The department shall prepare a report on the status of the early primary care pilot program that shall include, but is not limited to, the number of physicians placed, location of placement, type of employer, average student loan burden of the participating physicians, and average loan relief provided under the program. By April 1 of the current fiscal year, the department shall provide the report described in this subsection to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office.**

(6) Unexpended and unencumbered funds up to a maximum of \$1,000,000.00 general fund/general purpose revenue in part 1 for primary care services are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the early primary care pilot program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of an early primary care program as provided by this section.

(b) The work project will be accomplished by administering the partnering of participating physicians with qualifying employers and coordinating the negotiation of medical school loan repayment assistance for the participating physician.

(c) The total estimated cost of the work project is \$1,000,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2022.



Michigan Department of
Health & Human Services

RICK SNYDER, GOVERNOR
NICK LYON, DIRECTOR

REPORT ON THE STATUS OF THE EARLY PRIMARY CARE PILOT PROGRAM

To date the Michigan Health Council has established infrastructure for the Early Primary Care Incentive (EPCI) program by hiring staff, developing a logic model and creating collateral for talking with stakeholders. The Michigan Health Council has drafted a program outline as well as application, contract and agreement forms.

The scope of work for this program includes several months of research, feasibility studies and discussions with various stakeholders in order to design and implement the program. Partnerships with residencies, agreements with employers, payers, ACGME (Accreditation Council for Graduate Medical Education) and others are required. The Michigan Health Council has identified key stakeholders in each of these areas and our discussions with them are ongoing as to how we can make the program work. Once these are complete and agreements are in place, the Michigan Health Council will be able to begin recruitment of physicians into the EPCI program.