

**Michigan State Loan Repayment Program
Michigan Essential Health Provider Recruitment Strategy
FY 2018 & 2019 Report
April 30, 2020**

The Michigan Department of Health and Human Services (MDHHS) administers the Michigan State Loan Repayment Program, also known as the Michigan Essential Health Provider Recruitment Strategy, pursuant to Public Act 368 of 1978, Part 27. Per 2723, MDHHS must report to the Legislature on the status of the Michigan Essential Health Provider Recruitment Strategy biennially. This report is intended to fulfill this requirement.

Table of Contents

Michigan State Loan Repayment Program Overview:.....	2
MSLRP Outreach:	2
MSLRP Objectives and Policy	2
Results of the FY 2018 Application Period:.....	3
Results of the FY 2019 Application Period.....	5
Trends in the MSLRP Program	7
MSLRP Retention Study	11
MSLRP Compared with other State Loan Repayment Programs:.....	11
Forecast for the FY 2018 & 2019 MSLRP Application Periods:	12

Michigan State Loan Repayment Program Overview:

The Michigan State Loan Repayment Program (MSLRP) is known in state statute as the Michigan Essential Health Provider Recruitment Strategy. This program assists employers in the recruitment and retention of medical, dental, and mental health care providers by providing loan repayment to those who enter into MSLRP service obligations. These service obligations require participants to provide full-time, primary health care services at an eligible nonprofit practice site located in a Health Professional Shortage Area for two years. MSLRP loan repayment agreements are funded by a federal/state/local partnership. Federal funds are awarded by the National Health Service Corps (NHSC) of the Health Resources and Services Administration (HRSA).

This report covers two program years; 2018 and 2019. The FY 2018 MSLRP year began with the February 1, 2017 to April 30, 2017 application period offering loan repayment agreements starting October 1, 2017 through September 30, 2019. The FY 2019 MSLRP year began with the February 5, 2018 to February 9, 2018 application period offering loan repayment agreements starting October 1, 2018 and continuing through September 30, 2020.

MSLRP Outreach:

MDHHS Services and its partners marketed the application period to employers at eligible practice sites with Health Professional Shortage Area designations. The Michigan Department Health and Human Services distributed its 'Michigan SLRP Opportunity Update' each year through accumulated list of health care training and education programs, healthcare employers in underserved areas and other interested organizations. All information is also posted on the MSLRP Website at www.michigan.gov/mslrp.

MDHHS responded to program inquiries from providers and employers and provided individual consultations. Assisting employers to recruit obstetric service providers, psychiatrists and Genesee county providers continued to be the program's top priority for FY 2018 and 2019. Inpatient Pediatric Psychiatric Providers also became a top priority provider type in 2018. MDHHS made a special effort to market the application period to all known practice sites employing these top priority providers.

MSLRP partners used their unique communication channels to market the program to their member and constituent practice sites. The Michigan Primary Care Association marketed to all Community Health Centers and Federally Qualified Health Center Look-Alikes; the Michigan Center for Rural Health marketed to all Rural Health Clinics and Critical Access Hospital primary care clinics; and the Michigan Health Council marketed the program to primary clinics at larger hospitals. The Michigan Area Health Education Center marketed the application periods through its growing number of regional centers.

MSLRP Objectives and Policy:

One of the primary program objectives for FY 2018 was increasing the amount of Inpatient Pediatric Psychiatric Providers. These providers were required to meet all of the Michigan State Loan Repayment Program's eligibility and application requirements except they may be inpatient hospital-based, instead of clinical-based. They may be treating an inpatient hospital instead of an outpatient, ambulatory population. They may also work at practice sites that do not have a mental health geographic HPSA or a mental health HPSA facility designation. Genesee county providers continued to be priority during the FY 2018 application period. Genesee county providers were required to meet all of the MSLRP requirements except the 20 percent employer contribution was waived. Also, the practice sites of Genesee county providers were not required

to be located within a Health Professional Shortage Area. In addition, obstetric service providers also continued to be priority during the FY 2018 application period. This priority is specific to obstetric service providers practicing in the northern Lower Peninsula and the Upper Peninsula. This included providers practicing in or north of Mason, Lake, Osceola, Gladwin and Arenac counties. The program also maintained psychiatrists as a priority provider type and made no changes to its list of priority practice sites reflecting Michigan’s network of safety net clinics providing access to primary care in underserved areas. A significant change in the application cycle occurred in FY 2018. The FY 2018 application period began on February 1, 2017 and continued through April 30, 2017. The program moved its FY 2018 application period back one month from January to February. Starting the application period in February instead of January allowed loan servicers additional time to return forms containing educational loan information to applicants. The new start date also allowed applicants more time to complete their MSLRP applications.

The FY 2019 application cycle began on February 5, 2018 and continued through February 9, 2018. This application cycle was significantly shorter than the previous application cycles. The change in the application cycle was in response to the increasing application volume. Non-priority applicants with HPSA scores of an 8 or higher were treated as a priority provider. The top priority providers remained the same as those described above in the FY 2018 MSLRP program cycle.

Policies implemented to achieve program objectives are described in the MSLRP Opportunity Update, which is distributed through all outreach partners and is posted on the MSLRP website. The update describes the application period, eligibility requirements, employer contribution requirements, and contract amounts, as well as the selection criteria and process in place during each program year.

Results of the FY 2018 Application Period:

MSLRP FY 2018 Applications:

During the FY 2018 application period, the program received 178 applications. Eighty-six applicants were awarded loan repayment agreements; sixty-nine eligible applicants were not awarded due to a lack of funds; and 23 were either ineligible or withdrew their applications.

MSLRP FY 2018 Funding:

MSLRP is funded by a federal, state, and local partnership. For FY 2018, the program obligated a total of \$2,577,000. This included a \$746,000 federal program award, \$1,430,600 state general funds, and \$400,800 in employer contributions. Most provider agreements were funded by 40 percent federal, 40 percent state, and 20 percent employer contributions.

MSLRP FY 2018 Provider Information:

The table below depicts the FY 2018 providers participating in the MSLRP program. Of the 86 providers awarded, 20 were physicians; eight were Medical Doctors (MD) and twelve were Doctors of Osteopathic Medicine (DO). Twenty-three providers were Masters of Social Work, 16 were nurse practitioners, 19 were physician assistants, one was a Dentist, one was a Psychiatric Nurse Practitioner and six were clinical psychologists.

FY 2018 MSLRP Providers	
<i>Provider Type</i>	<i>Number</i>
Primary Care Provider – MD	8

Primary Care Provider – DO	12
Masters of Social Work	23
Nurse Practitioners	16
Physicians Assistants	19
Dentists	1
Psychiatric Nurse Practitioner	1
PhD/MA Clinical Psychologist	6
Total	86

The program met its objective of increasing the number of obstetric service providers in underserved areas with ten participants being obstetric providers. Further, one participant was a Psychiatrist. The program also increased the number of Genesee County participants with Twenty-four providers being from Genesee County.

For primary providers receiving awards, including physicians and dentists, average educational debt was \$195,646 with a range of \$23,736 to \$570,878. Average educational debt for awarded mid-level providers, including nurse practitioners, physician assistants, psychologists and Masters of Social Work was \$89,341 with a range of \$23,012 to \$335,261.

MSLRP FY 2018 Practice Site Information:

All of the providers awarded were either top priority providers or were working at priority practice sites. The largest number (36) were working at rural health clinics designated with a facility HPSA, 23 were at community mental health clinics, 10 were at Federally Qualified Health Centers, seven were at hospital-affiliated primary care clinics, four were at Critical Access Hospital affiliated primary care clinics, three were at correctional facilities, two were at local health departments, and one was at a rural health clinic.

Of the 86 providers awarded loan repayment agreements, 49 were working at rural practice sites and 37 were working at urban practice sites.

MSLRP FY 2018 Funds Obligated by County:

MSLRP awarded loan repayment agreements to providers in the following counties.

County	Obligated Amount
Alcona	\$ 20,000
Allegan	26,000
Antrim	33,000
Barry	73,000
Berrien	153,000
Cass	25,000
Cheboygan	40,000
Clare	46,000
Genesee	649,000
Huron	20,000
Ionia	108,000
Iosco	25,000
Isabella	20,000

Jackson	20,000
Kalamazoo	35,000
Kalkaska	64,000
Kent	81,000
Mecosta	76,000
Montcalm	184,000
Muskegon	176,000
Newago	80,000
Oceana	63,000
Osceola	23,000
Otsego	264,000
Presque Isle	20,000
Saint Joseph	20,000
Sanilac	69,000
Tuscola	20,000
Van Buren	95,000
Wayne	49,000
Grand Total	\$2,577,000

Results of the FY 2019 Application Period:

MSLRP FY 2019 Applications:

During the FY 2019 application period, the program received a record-breaking 185 applications. 84 applicants were awarded loan repayment agreements; 57 eligible applicants were not awarded due to a lack of funds; and 44 were either ineligible or withdrew their applications.

MSLRP FY 2019 Funding:

MSLRP is funded by a federal, state, and local partnership. For FY 2019, the program obligated a total of \$3,006,000. This included a \$1,000,000 federal program award, \$1,400,800 in state general funds and \$605,200 in employer contributions. Most provider agreements were funded by 40 percent federal, 40 percent state, and 20 percent employer contributions.

MSLRP FY 2019 Provider Information:

The table below depicts the FY 2019 providers participating in the MSLRP program. Of the 83 providers awarded, 25 were physicians. Sixteen were Medical Doctors (MD) and nine were Doctors of Osteopathic Medicine (DO). Seven providers were Masters of Social Work, 19 were nurse practitioners, 25 were physician assistants, three were dentists, three were Certified Nurse Midwives, and one was a clinical psychologist.

FY 2019 MSLRP Providers	
<i>Provider Type</i>	<i>Number</i>
Primary Care Provider – MD	16
Primary Care Provider – DO	9
Masters of Social Work	7
Nurse Practitioners	19

Physicians Assistants	25
Dentists	3
Certified Nurse Midwife	3
PhD/MA Clinical Psychologist	1
Total	83

The program met its objective of increasing the number of obstetric service providers in underserved areas with fifteen participants being obstetric providers. Further, one participant was an Inpatient Pediatric Psychiatrist. Twelve participants were from Genesee County.

For primary providers receiving awards, including physicians and dentists, average educational debt was \$223,781 with a range of \$45,523 to \$431,834. Average educational debt for awarded mid-level providers, including nurse practitioners, physician assistants, Masters of Social Work, Certified Nurse Midwives and psychologists was \$104,863 with a range of \$27,879 to \$318,785.

MSLRP FY 2019 Practice Site Information:

Most of the providers awarded were either top priority providers or were working at priority practice sites. The largest number (36) were working at rural health clinics designated as facility HPSA, 18 were at Federally Qualified Health Centers, 10 were working at not-for-profit hospital affiliated primary care clinics, eight were at a Critical Access Hospital affiliated primary care clinic, six were at correctional facilities, three were at community mental health clinics, one was at a rural health clinic, one was at a local health department and one was at an unspecified location.

Of the 83 providers awarded loan repayment agreements, 61 were working at rural practice sites and 22 were working at urban practice sites.

MSLRP FY 2019 Funds Obligated by County:

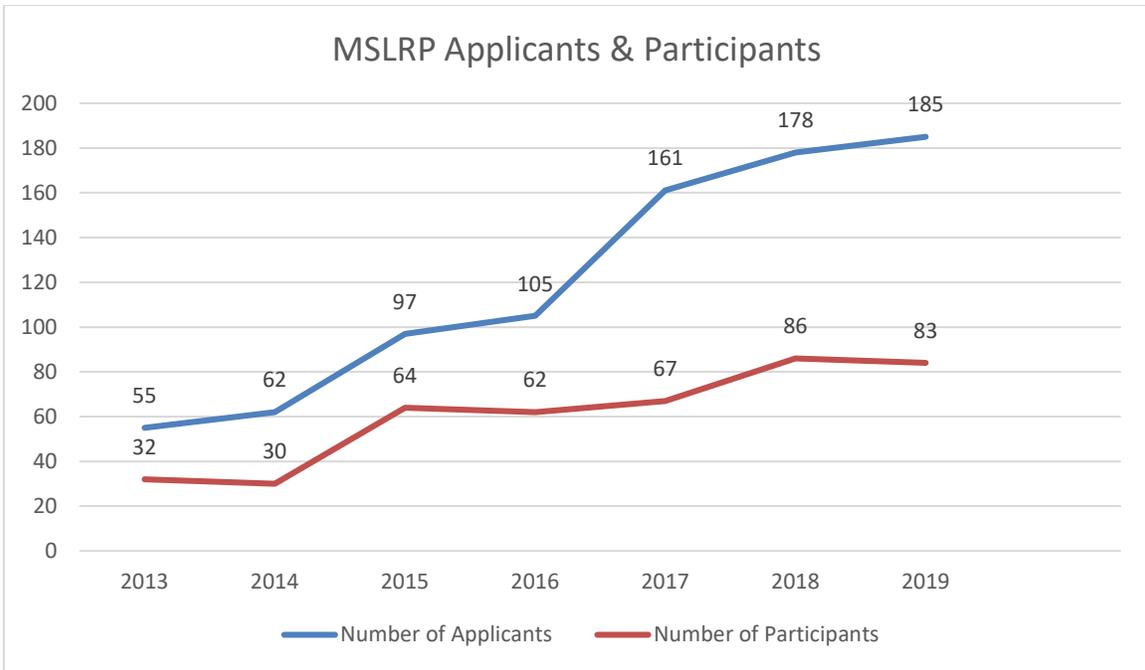
MSLRP awarded loan repayment agreements to providers in the following counties.

County	Obligated Amount
Alcona	\$ 35,000
Alger	50,000
Alpena	50,000
Antrim	50,000
Barry	30,000
Branch	20,000
Calhoun	59,500
Cass	16,000
Charlevoix	166,000
Cheboygan	100,000
Chippewa	70,000
Clare	30,000
Crawford	90,000
Eaton	141,000
Genesee	205,000
Gladwin	47,000
Gogebic	116,000

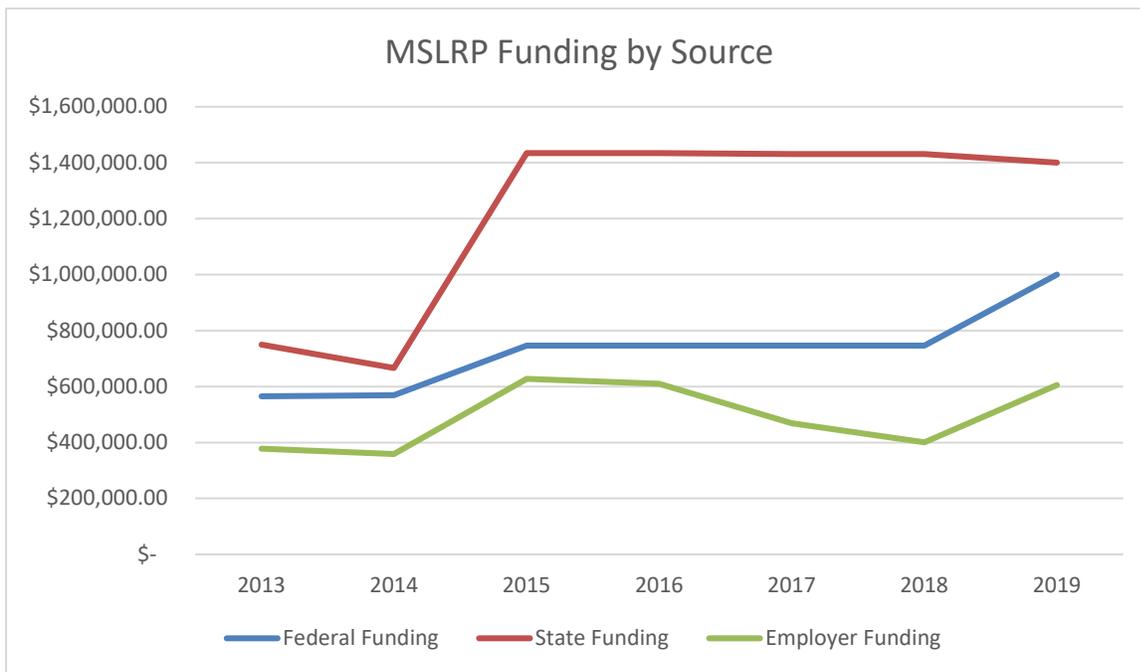
Gratiot	20,000
Houghton	70,000
Ionia	145,000
Iosco	50,000
Iron	26,000
Jackson	110,000
Kalkaska	140,000
Kent	103,000
Lake	50,000
Luce	164,000
Mason	75,000
Mecosta	40,000
Menominee	32,000
Montmorency	34,000
Muskegon	116,500
Newago	87,000
Ogemaw	30,000
Otsego	118,000
Presque Isle	31,000
Roscommon	20,000
Saginaw	35,0000
Sanilac	23,000
Van Buren	41,000
Wayne	50,000
Wexford	120,000
Grand Total	\$3,006,000

Trends in the MSLRP Program:

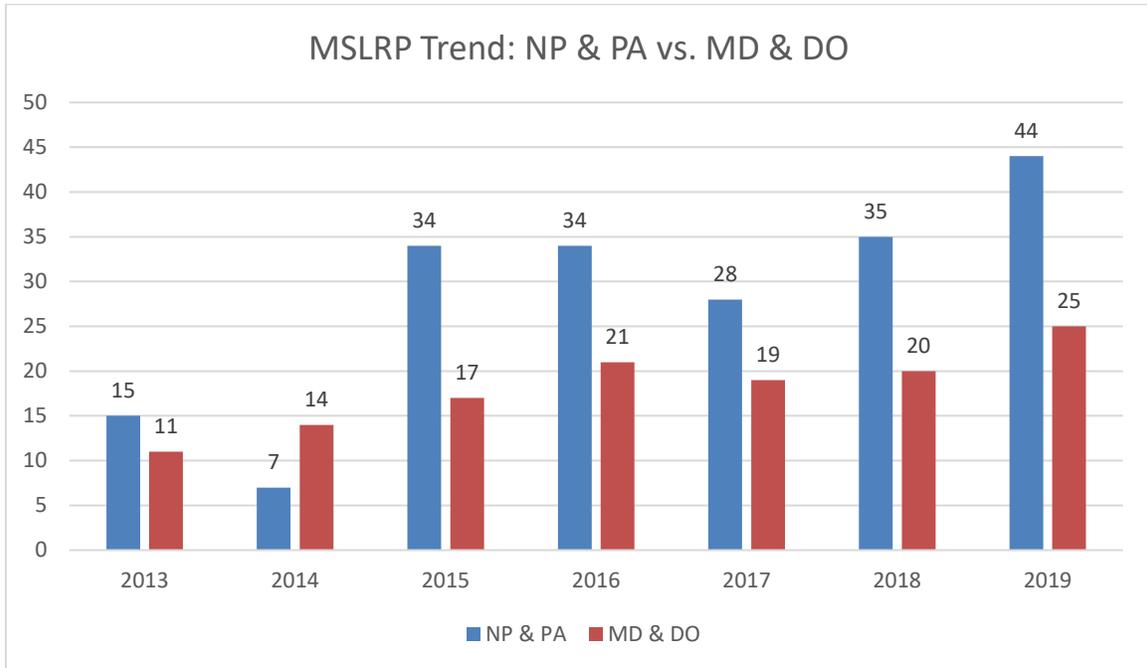
One major trend in the MSLRP program has been a dramatic growth in the number of applications received. In 2013, the program received 55 applications and in 2019 the program received 185. The number of participants has increased since 2015 while the funding has remained stable. With the amount of funding the same and the number of applications ever increasing, the MSLRP program has become extremely competitive. The graph below depicts the number of MSLRP applications from 2013 to 2019 and the number of participants that successfully joined the program from each application period.



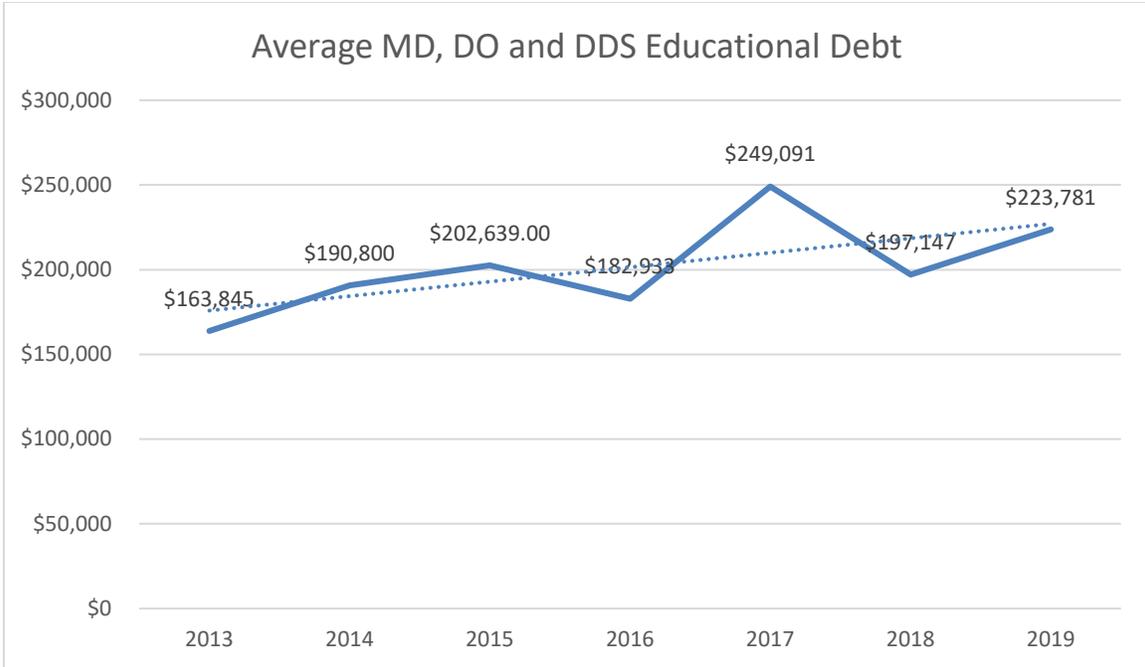
The graph below illustrates the funding trends for the MSLRP program. In 2018, MSLRP received \$746,000 federal dollars and then \$1,000,000 in 2019. State general funds have remained stable since 2015. Together these funds have been used together to maximize the number of participants in the program.



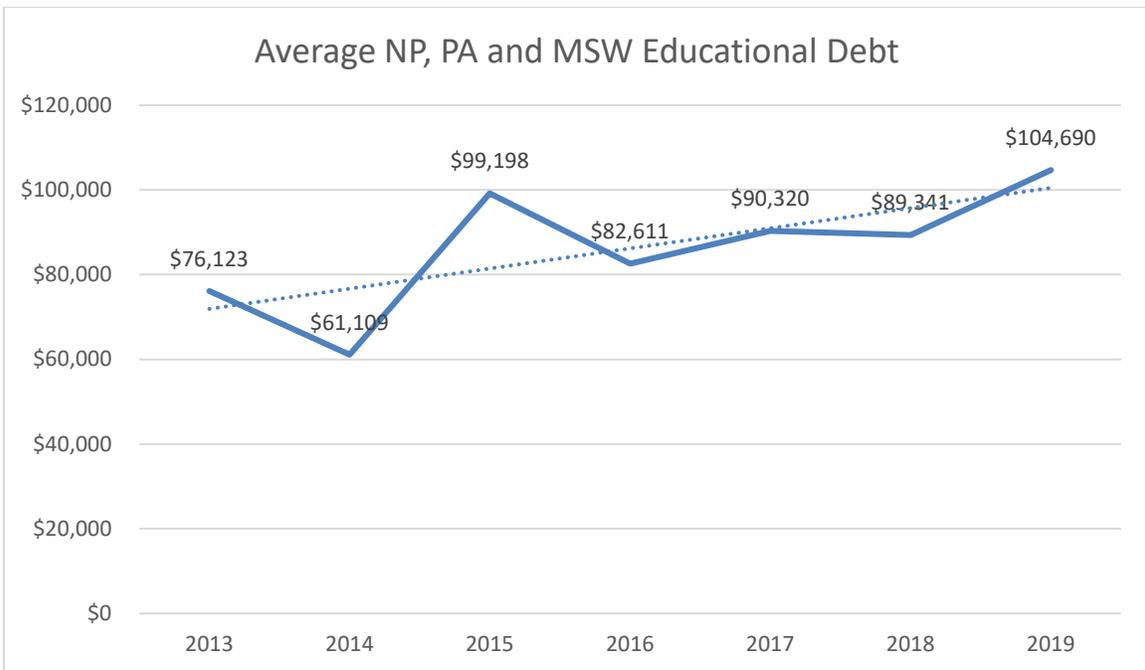
Another interesting trend in this program is the number of Nurse Practitioners (NP) and Physician Assistants (PA) using the program versus the number of Medical Doctors (MD) and Doctors of Osteopathic Medicine (DO). The graph below shows that in recent years, the number of NP and PA participants in MSLRP have outnumbered the number of MD and DO participants.



Finally, MSLRP has documented an upward trend in the average amount of education debt being reported by MSLRP participants. Generally, MSLRP participants that are MD, DO or Doctor of Dental Surgery (DDS) have had more educational debt than the mid-level providers. Looking only at the MD, DO and DDS participants, there is a trend in providers starting their professional practice with increasing educational debt. The 2019 MSLRP participants reported significantly more debt than the 2013 MSLRP participants.



Looking at mid-level providers with NP, PA or MSW credentials, an increase in debt is evidenced in the graph below.



MSLRP Retention Study

In September 2018, MDHHS began sending out voluntary Retention Surveys to the employers of MSLRP participants. This was effective in determining the rate of retention among providers who have recently completed their service obligation to the Michigan State Loan Repayment Program.

Employers received one survey per participant, one year after the completion of their sponsored participant's service commitment. Employers were to list the start date of the provider's MSLRP agreement as well as their end date of employment, if they were no longer employed. If the provider was still employed, the employer would indicate that information in the survey. This gave insight on determining how long providers remained employed with their sponsoring employers beyond their MSLRP service obligation.

In September 2018, there were 62 surveys sent out to the employers of providers who recently completed their MSLRP obligation. These providers were participants in the FY 2016 cycle. Their MSLRP agreement started on 10/1/15 and their service obligation ended 9/30/17. Of the 61 surveys sent out, 43 surveys were returned. This gives a response rate of 70%. It was determined that 34 providers were still employed with their sponsoring employers. 18 employers did not respond to the survey. There were 9 providers that were no longer employed with their sponsoring employers. For those who participated in FY 2016, it was determined that at least 55% of providers were still employed with their sponsoring employers.

In September 2019, MDHHS sent out Retention Surveys to the employers of MSLRP participants whose obligations ended September 30, 2017 (FY 2016) as well as those whose obligations ended September 30, 2018 (FY 2017). The FY 2017 participants had an MSLRP agreement which began 10/1/16 and their service obligation ended 9/30/18. There were 115 surveys sent out to the employers of participants who completed their MSLRP obligations in 2017 and 2018. Fifty two surveys were sent to the employers of those providers who participated in FY 2016. Sixty three surveys were sent out to the employers of providers who participated in the program in FY 2017. Out of 115 surveys sent out, 70 surveys were returned. There were 45 employers that did not respond to the survey. This gives a response rate of 60%. For FY 2016 and FY 2017, there were 57 providers that have been retained by their sponsoring employers. This shows that at least 49 percent of providers were still employed with their sponsoring employers after their MSLRP service obligations were completed.

MSLRP Compared with other State Loan Repayment Programs:

There are 43 other states that offer medical education debt loan repayment programs through a HRSA grant, similar to MSLRP. The grant awards vary from \$1,000,000 to \$80,000. Michigan received an award of \$746,000 for FY 2018 and \$1,000,000 for FY 2019. Each state is required to provide a \$1 to \$1 federal funds match. States are given some latitude in the design and implementation of their programs in order to meet state-specific needs, but all must follow a set of federal grant requirements.

Each year HRSA collects the number of providers that are currently serving in each state with the assistance of the State Loan Repayment Program. In FY 2019, Michigan ranked second among all State Loan Repayment programs in number of providers benefitting from our program. Below is a chart of the top 10 largest State Loan Repayment Programs.

State	SLRP Providers in Service
California	240
Michigan	184
Alaska	144
Arizona	94
Tennessee	80
Wisconsin	79
Maryland	67
Illinois	63
Washington	60
Rhode Island	59

MDHHS attributes the size of the program to efficient use of state and federal funds. In the MSLRP program, we are able to benefit additional providers by collecting an employer contribution of 20 percent of the total award. While other states may match each federal dollar with a state dollar, in MSLRP we fund each contract with 40 percent federal dollars, 40 percent state dollars and 20 percent employer contribution. Further, the recent policy MSLRP implemented to assign contract amounts consistently using a formula based on the provider’s educational debt also increases the number of providers benefitting from the program without increase the dollars allocated. It should also be noted that since FY 2015, the Michigan Legislature has funded this program with more than the required federal match, and this investment is a key contributor to MSLRP success.

Forecast for the FY 2020 & 2021 MSLRP Application Periods:

All indications point toward continued growth for the MSLRP program into FY 2020 and 2021. With the benefit of knowing the preliminary results from the FY 2020 application cycle, MSLRP received 175 applications and gave support for 89 participants. This constitutes a record-breaking MSLRP program year in the number of participants. The popularity of the program is largely due to the education and outreach efforts of MSLRP staff and community partners. The ability to fund more providers with the same amount of funding is due to policies that consistently apply a formula based on the amount of each provider’s debt to determine the contract amount. In 2020, the program will continue to focus on northern obstetric providers, primary care providers in Genesee county, psychiatrists, and inpatient pediatric psychiatrists statewide.

Work has begun on the FY 2021 program year with expectations that MSLRP may again set a record for volume of applications. The program will also work on a way to determine the efficacy of the program in retaining providers both short-term and long-term in underserved areas.