

2022 KEY LEGISLATIVE ISSUE

FUNDING FOR THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS (LARP)

PROBLEM: Maryland has a shortage of primary care providers, most notably physicians. This is especially true in areas designated as “underserved areas,” as the name implies. LARP is designed to lure physicians to serve in these areas by providing them with loan repayment monies in exchange for serving for two years in an underserved area. However, the State has for decades relied solely upon a portion of physician license fees to fund LARP. General fund monies are needed to help develop LARP into the robust tool it can be for recruiting physicians into primary care and ensuring access to primary care throughout the State. These funds will bridge a two-year gap while the LARP Workgroup, established in 2020, identifies other permanent funding streams.

BACKGROUND: As a result of legislation that MedChi worked in depth on in 2020, the General Assembly established a workgroup to evaluate and improve the LARP program. Historically, LARP relied on limited funding from a single source—physician licensure fees, which generated about \$400,000 per year. This is too narrow a base and produces too little funding relative to demand. When one considers that the average medical school debt is over \$200,000, the current funding of \$400,000 barely moves the needle in solving the problem. When medical student debt is coupled with the lower potential income found in the primary care specialty, simple economics is a major reason physicians do not choose primary care. A much larger investment in LARP is a powerful tool at the State’s disposal to ensure patient access to physicians in every part of Maryland.

SOLUTION: The workgroup established in 2020 has made its principal recommendation that the General Assembly provide \$2 million in funding in each of the next two years for LARP, while the workgroup continues to look for permanent funding sources beyond physician license fees. This would mark a significant increase in funding, and signal that the State is serious about addressing the shortage of primary care physicians in underserved areas of the State.

WHAT TO DO: Call/write/e-mail members of the Senate Budget and Taxation Committee and the House Appropriations Committee and ask them for their support for funding for LARP. Contact MedChi for legislative contact information at 1-800-492-1056.