

MedChi

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TO: The Honorable Joan Carter Conway, Chair
Members, Senate Education, Health & Environmental Affairs Committee
The Honorable Sheila Hixson

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise
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DATE: March 27, 2014

RE: **SUPPORT WITH AMENDMENT** – House Bill 459 – *Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants*

The Maryland State Medical Society (MedChi), which represents more than 8,000 Maryland physicians and their patients, supports House Bill 459 with amendment.

The main purpose of House Bill 459 is to allow the MD Loan Assistance Repayment Program to be used for loan assistance for Physician Assistants. The Program is funded through license fees paid by both Physicians and Physician Assistants, so it is only proper that the statute permit funds in the program to be used by both professions.

As background, it is important to understand that by statute the Program is funded by license fees only in the event that General Funds are not appropriated for this purpose. General funds have not been appropriated to the Program for many years, and instead license fees have supported it. Indeed, twelve percent of the professional license fees paid by Physicians and Physician Assistants have gone to subsidize this program, as well as the Health Personnel Shortage Incentive Grant Program, for many years. While these may be worthwhile programs, MedChi believes both should be funded at all times through the General Fund, and that license fees should not be used for this purpose.

While that issue may be for another day, for purposes of this legislation, MedChi would request an amendment that would require the disbursement of Loan Assistance funds to be in proportion to the amount paid into the Program by the respective professions. For example, if Physician Assistants contribute 40% of the funds in the Program, then 40% of the distributions should go to assist individuals in that profession. This way, one profession is not subsidizing the other.

With this amendment, MedChi supports the passage of House Bill 459.

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