

State Level Strategies to Incentivize Primary Care and Public Health Practice in Underserved Communities



Primary Care Office Functions

- assess communities for primary, oral and mental health provider capacity to determine where shortages exist
- promote, administer, and monitor certain health professional incentive programs that encourage practice in areas determined to have a provider shortage



Workforce Incentive Programs

- National Health Service Corps (NHSC)
 - State Health Professional Loan Repayment Program (SLRP)
 - International Medical Graduate Waivers (IMG)
 - Conrad 30 J-1 Visa Waiver
 - National Interest Waiver
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- Public Service Loan Forgiveness Program



State Health Professional Loan Repayment Program Benefits

1. high degree of state level flexibility
2. opportunities to coordinated with other state investments in the primary care workforce
3. attractive to nongovernmental grantors



1. State Flexibility

Colorado Experience

- contracts directed to candidate attributes, which predict long term retention rather than relative need
- use of tiered funding based on professional discipline
- three annual award cycles
- three year contracts
- contracts directed to specific interests of private funders



2. Alignment with Other State Workforce Activities

Colorado Experience

- preference for graduates of any state health professional loan repayment program
- preference for graduates of any state residency
- preference for providers who participated in a rural track or community health track training program



3. Benefits of Philanthropic Participation

- A. operational efficiency
- B. federal matching grants
- C. income tax exemption



Donor Directed Giving Policy

The Colorado Health Service Corps will seek to accommodate all reasonable grantor requests regarding restricted distribution of granted funds. The determination of what is a “reasonable grantor request” shall be at the discretion of the Primary Care Office. The Primary Care Office will seek the consent of the Colorado Health Service Advisory Council where a donor directed award proposal would require a substantial departure from the Councils “Award Preference” policy. Approved grantor restrictions shall apply to the value of the grantor’s gift(s) only, and shall not apply to funds derived from any other source in the program fund. It is the policy of the Colorado Health Service Corps to decline grants from entities seeking to:

- give non-monetary gifts,
- direct awards to a specific person or persons,
- constrain the scope of health services a contracted provider can offer, and/or
- cause a violation of state or federal statutes.



A. Operational Efficiency

- simplifies the search, eligibility determination and application process
- reduces the cost of program administration in proportion to the total funds available for annual awards
- distributed decision-making process inclusive of all major stakeholders



B. Federal Matching Grants

- non-federal dollars in the program may receive up to a one-to-one federal match.



C. Income Tax Exemption

grant/appropriation **outside** of the SLRP

\$ 1.00 state appropriation and/or
private grant

\$ -0.07 approximate operating costs

\$ -0.30 approximate federal and state
income tax liability

\$ 0.63 net incentive benefit to provider



C. Income Tax Exemption

grant/appropriation **inside** of the SLRP

\$ 1.00 state appropriation and/or
private grant

\$ -0.07 approximate operating costs

\$ 0.93 high end of federal matching
funds potential

\$ 0 federal and state income tax
liability

\$ 1.86 net incentive benefit to provider



\$0.63 verses \$1.86

The provider benefit of state loan repayment, per dollar invested, is three times that of other options for primary care practice incentives. Though these examples are based on assumptions that may vary among individual awardees and annual federal matching grant opportunities, the overall benefit of the state program is clear.



Public Service Loan Forgiveness Program

- College Cost Reduction and Access Act of 2007 created the Program to encourage individuals to enter and continue to work full-time in public service
- non-clinical public health professionals of any kind can participate



Eligibility

- program forgives the remaining balance due on federal student loans after:
- 120 payments have been made after October 1, 2007; and
- participant has worked full time in public or non-profit sector during the period of payment
- participant may not be in default



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