

MAINE STATE LEGISLATURE

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EDUCATION AND CULTURAL AFFAIRS

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STATE OF MAINE**SENATE****124TH LEGISLATURE****FIRST REGULAR SESSION**

COMMITTEE AMENDMENT " " to S.P. 322, L.D. 853, Bill, "An Act To Encourage Maine Residents To Attend Medical School and Practice in Maine"

Amend the bill by striking out everything after the title and before the summary and inserting the following:

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, Maine currently faces an acute shortage of primary care physicians, particularly in rural areas of the State, as a result of a number of factors; and

Whereas, due to concerns regarding limited access and the high cost of medical education, Maine students who graduate from college are the least likely to enter medical school as compared to college graduates in other states; and

Whereas, Maine is one of only 6 states in the nation without a state-supported, allopathic medical school; and

Whereas, collaborative partnerships between the Tufts University School of Medicine and the Maine Medical Center and between the University of Vermont School of Medicine and the Eastern Maine Medical Center and involving the University of New England will encourage more Maine students to pursue careers in medicine and will develop support for the establishment of medical education programs in the State; and

Whereas, leveraging the private resources of these universities and health care organizations to match funding available due to the enhanced Federal Medicaid Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009 will provide start-up funding for the establishment of a medical student scholarship fund; and

Whereas, this innovative, public-private funding model will result in the training of medical students in the State which will increase the likelihood that these physicians will remain in the State once their medical training is completed; and

COMMITTEE AMENDMENT

2013

1 **Whereas**, in the judgment of the Legislature, these facts create an emergency within
2 the meaning of the Constitution of Maine and require the following legislation as
3 immediately necessary for the preservation of the public peace, health and safety; now,
4 therefore,

5 **'Be it enacted by the People of the State of Maine as follows:**

6 **Sec. 1. 20-A MRSA §12101, sub-§8-A** is enacted to read:

7 **8-A. Qualifying Maine-based medical school program.** "Qualifying Maine-based
8 medical school program" means an allopathic or osteopathic medical school program
9 affiliated with a medical school accredited by the Liaison Committee on Medical
10 Education or its successor or the American Osteopathic Association or its successor in
11 which:

12 A. An educational or health care institution located in this State participates in
13 curriculum development and the selection of students for admission;

14 B. No fewer than 10 students per class year are enrolled and in which these students
15 are required to complete not less than one academic year of the medical school
16 curriculum at facilities located in this State;

17 C. Funds are raised through philanthropic resources and the private sector to match
18 100% of those funds appropriated or allocated by the State for scholarships under
19 section 12103; and

20 D. The program curriculum includes required clerkship experiences in and training
21 and course completion in rural health care and primary care.

22 **Sec. 2. 20-A MRSA §12103, sub-§1**, as amended by PL 1997, c. 765, §1, is
23 further amended to read:

24 **1. Positions.** The Access to Medical Education Program is established under this
25 section. Under this program, the chief executive officer shall secure up to 21 positions
26 annually for Maine students at schools of allopathic, osteopathic or veterinary medical
27 education up to an aggregate of 84 positions. Five positions are for students of
28 osteopathic medicine, 15 positions are for students of allopathic medicine and one
29 position is for students of veterinary medicine. If there is an insufficient number of
30 qualified applicants for positions in either allopathic or osteopathic medicine, the chief
31 executive officer may increase or decrease the number of positions available in either
32 discipline. The allopathic and osteopathic medicine positions are available only to
33 eligible students commencing professional education on or after January 1, 1993 and on
34 or before September 30, 2009. Commencing January 1, 2010, the chief executive officer
35 may not secure any new positions for students at schools of allopathic or osteopathic
36 medicine and shall secure only the number of positions necessary to allow students
37 already occupying such positions as of January 1, 2010 to complete their remaining
38 medical education, up to 3 years, at the institution. Commencing July 1, 2013, the chief
39 executive officer may not secure any further positions at schools of allopathic or
40 osteopathic medicine under this section. The veterinary medicine position is available to
41 a student commencing medical education on or after January 1, 1999.

42 **Sec. 3. 20-A MRSA §12103-A** is enacted to read:

§12103-A. Doctors for Maine's Future Scholarship Program

There is established the Doctors for Maine's Future Scholarship Program, referred to in this section as "the scholarship program," to provide a tuition subsidy of 50% of the cost of attendance annually, up to a maximum of \$25,000 per student annually, for eligible students who enter qualifying Maine-based medical school programs for the purpose of increasing the number of physicians in this State who practice in primary care, underserved specialties or underserved areas of the State. For the purposes of this section, "cost of attendance" means the tuition and fees applicable to an eligible student, together with estimated other expenses reasonably related to cost of attendance at a qualifying Maine-based medical school program.

1. Eligibility. For purposes of this section, "eligible student" means a student who meets eligibility requirements set by the authority by rule that include at least the following:

A. The student is or will be enrolled in a qualifying Maine-based medical school program; and

B. The student has a substantial connection to the State as evidenced by factors such as prior education in this State, parental residence in this State and at least one year of non-education-related residence in this State.

2. Priority. In awarding scholarships, the authority shall give priority to an eligible student who meets at least 2 of the following provisions:

A. The student has received a high school diploma, or its equivalent, in this State;

B. The student has received a baccalaureate degree from a 4-year college or university in this State; and

C. The legal residence of a parent of the student is in this State.

3. Allocation. The total number of scholarships available under the scholarship program must be allocated equally among qualifying Maine-based medical school programs, except that a program may not be allocated more than the number of scholarships for which the program has raised matching funds as of January 1st immediately preceding the scholarship award.

4. Matching funds. Commencing January 1, 2013, if a qualifying Maine-based medical school program raises matching funds in an amount less than the amount of scholarship funds allocable to it under this section from the State for a given year or does not have a sufficient number of qualified applicants to fill the number of scholarships allocable to it, the number of scholarships allocated to that program must be reduced accordingly and scholarships must be reallocated for that year to students of other qualifying Maine-based medical school programs. Qualifying Maine-based medical school programs must use funds raised through philanthropic and private medical education fundraising to increase the number of scholarships available to eligible students and must use matching funds to provide no fewer than the number of scholarships allocated to the program by the State in a given academic year.

5. Notification. For each student receiving a scholarship under this section, the student's qualifying Maine-based medical school program must notify the authority of the

1 location of the student's medical residency, specialty and place of employment for each of
2 the 8 years after the student's graduation from the school.

3 **6. Doctors for Maine's Future Scholarship Fund created.** A nonlapsing, interest-
4 earning, revolving fund under the jurisdiction of the authority, known as the Doctors for
5 Maine's Future Scholarship Fund, and referred to in this subsection as "the fund," is
6 created to carry out the purposes of this section. Any unexpended balance in the fund
7 carries over for continued use under this section. The authority may receive, invest and
8 expend on behalf of the fund money from gifts, grants, bequests and donations or other
9 sources in addition to money appropriated or allocated by the State. Money in the fund
10 must be invested by the authority, as provided by law, with the earned income to be
11 added to the fund. Money received by the authority on behalf of the fund, except interest
12 income, must be used for the purposes of this section; interest income may be used for
13 such purposes or to pay student financial assistance administrative costs incurred by the
14 authority.

15 **Sec. 4. 20-A MRSA §12104, sub-§2-A** is enacted to read:

16 **2-A. Access to Medical Education Program students.** As long as the student is
17 otherwise eligible, a student occupying a position at a school of allopathic or osteopathic
18 medicine pursuant to section 12103 that was secured by the chief executive officer on or
19 before June 30, 2009 continues to be eligible for loans under the program under this
20 section through June 30, 2012.

21 **Sec. 5. 20-A MRSA §12105, sub-§1,** as amended by PL 2001, c. 479, §1, is
22 further amended to read:

23 **1. Fund created.** A nonlapsing, interest-earning, revolving fund under the
24 jurisdiction of the authority is created to carry out the purposes of this chapter sections
25 12103 and 12104 through June 30, 2012. From July 1, 2012, the fund must be used to
26 carry out the purposes of section 12103 as it pertains to positions of veterinary medicine
27 only and of section 12104. From July 1, 2009 to June 30, 2013, the authority shall use
28 the portion of the fund allocated under section 12103 to secure positions only for students
29 of veterinary medicine and to secure positions for students of allopathic or osteopathic
30 medicine who occupied positions on September 30, 2009 as necessary to allow them to
31 complete their remaining medical education, up to 3 years, at the institution. From July
32 1, 2009, the authority shall use any unexpended balance of funds previously allocated for
33 the purchase of positions of allopathic or osteopathic medicine under section 12103 to
34 fund the scholarships described in section 12103-A. Any unexpended balance in the fund
35 after the unused portion is reallocated to support the scholarships described in section
36 12103-A carries over for continued use under this chapter section 12103, as it pertains to
37 positions of veterinary medicine only, and section 12104. The authority may receive,
38 invest and expend, on behalf of the fund, money from gifts, grants, bequests and
39 donations, or other sources in addition to money appropriated or allocated by the State.
40 Loan repayments under this chapter or other repayments to the authority under sections
41 12103 or 12104 must be invested by the authority, as provided by law, with the earned
42 income to be added to the fund. Money received by the authority on behalf of the fund,
43 except interest income, must be used for such purposes; interest income may be used for
44 such purposes or to pay student financial assistance administrative costs incurred by the
45 authority.

Sec. 6. 20-A MRSA §12105, sub-§2, as enacted by PL 1991, c. 830, §4 and c. 832, §10, is amended to read:

2. Separate account authorized. ~~The authority may divide the fund~~ each of the funds under subsection 1 and section 12103-A, subsection 6 into separate accounts it determines necessary or convenient for implementing this chapter, including, but not limited to, accounts reserved for the purchase of positions and accounts reserved for loans.

Sec. 7. 20-A MRSA §12105, sub-§3, as enacted by PL 1991, c. 830, §4 and c. 832, §10, is amended to read:

3. Allocation of repayments. The authority may allocate a portion of the annual loan repayments received under section 12104 for the purpose of recruiting primary health care physicians for designated health professional shortage areas. That portion may be used:

A. To generate additional matching funds for recruitment of physicians for designated health professional shortage areas; or

B. In accordance with criteria established by the authority, to encourage primary health care physicians to practice medicine in health professional shortage areas.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

SUMMARY

This amendment is the majority report of the Joint Standing Committee on Education and Cultural Affairs. The amendment strikes and replaces the bill to accomplish the following.

1. It establishes the Doctors for Maine's Future Scholarship Program to provide a tuition subsidy of 50% of the cost of attendance annually, up to a maximum of \$25,000 per student annually, for eligible students who enter qualifying Maine-based medical school programs, for the purpose of increasing the number of physicians in the State who practice in primary care, underserved specialties or underserved areas of the State.

2. It defines "qualifying Maine-based medical school program" as an allopathic or osteopathic medical school program in which an educational or health care institution located in the State participates in curriculum development, selects no fewer than 10 students for admission per class year, requires that all students complete not less than one academic year of the medical school curriculum at facilities located in the State, raises funds through philanthropic resources and the private sector to match 100% of those funds appropriated or allocated by the State for scholarships and includes a required clerkship experience and a curriculum that focuses on rural health care and primary care.

3. It establishes the Doctors for Maine's Future Scholarship Fund as a nonlapsing, interest-earning, revolving fund under the jurisdiction of the Finance Authority of Maine. The authority is authorized to receive, invest and expend money from gifts, grants, bequests and donations or other sources in addition to funds appropriated or allocated by the State to the Doctors for Maine's Future Scholarship Program.

1 4. It provides for the gradual phaseout of the Access to Medical Education Program
2 by establishing that, beginning January 1, 2010, the Chief Executive Officer of the
3 Finance Authority of Maine may not secure any additional new positions at schools of
4 allopathic or osteopathic medicine under this program and shall secure only the number
5 of positions necessary to allow students already occupying such positions as of January 1,
6 2010 to complete their remaining one to 3 years of medical education at their respective
7 institutions. It also provides that, beginning July 1, 2013, the Chief Executive Officer of
8 the Finance Authority of Maine may not secure any further positions at schools of
9 allopathic or osteopathic medicine under the Access to Medical Education Program.

10 5. It provides that students occupying positions at schools of osteopathic or
11 allopathic medicine through the Access to Medical Education Program on or before
12 September 30, 2009 remain eligible for loans through the Health Professions Loan
13 Program through June 30, 2012. It further provides that the existing revolving fund that
14 supports the Access to Medical Education Program and the Health Professions Loan
15 Program must continue to support students eligible for these programs through June 30,
16 2012.

FISCAL NOTE REQUIRED

(See attached)



124th MAINE LEGISLATURE

LD 853

LR 1234(02)

An Act To Encourage Maine Residents To Attend Medical School and Practice in Maine

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Education and Cultural Affairs

Fiscal Note Required: Yes

Fiscal Note

Undetermined current biennium cost increase - General Fund

Fiscal Detail and Notes

This bill establishes the Doctors for Maine's Future Scholarship Fund as a nonlapsing, interest-earning, revolving fund within the Finance Authority of Maine to provide scholarships for qualifying Maine students, up to a maximum of \$25,000 per student per year who enter a qualifying Maine-based medical school program. The cost of providing the scholarship can not be determined at this time and will depend on the number of students who qualify for the program each year.

Since this legislation does not identify a funding source for the program, it is unclear whether or not any funds will be available to support the costs of the program beginning in fiscal year 2009-10. The Governor has proposed, as part of a larger package, appropriating \$1,750,000 in fiscal year 2009-10 and \$1,750,000 in fiscal year 2010-11 from General Fund monies "freed up" as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act (ARRA) of 2009 to fund this initiative. The proposal was presented to the Joint Standing Committee on Appropriations and Financial Affairs in mid-March. However, no action has been taken by the Committee to-date and the proposal is included in the latest change package issued in response to the lowered revenue forecast from the Revenue Forecasting Committee. Public Law 2009, chapter 1 requires legislative approval for use of these funds.

This bill requires the gradual phase-out of the Access to Medical Education program effective June 30, 2013 and provides that provides that any unexpended fund balances in that program beginning in fiscal year 2009-10 be used to fund the Doctors for Maine's Future Scholarship program. The Finance Authority of Maine estimates the savings as a result of the phasing out of the Access to Medical Education program to be \$100,000 in fiscal year 2010-11, \$200,000 in fiscal year 2011-12, \$300,000 in fiscal year 2012-13 and \$400,000 in fiscal year 2013-14.