Loan Repayment Program Available to Medical Providers Practicing in Rural North Carolina

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Department of Health and Human Services
March 1, 2018
Placement and HPSA Services
Recruit providers and designates health professional shortage areas

NC Rural Health Centers
Supports state designated rural health centers that serve the entire community

NC Community Health Grants
Supports the primary care safety net system with increasing access to health care for vulnerable populations

NC Farmworker Health Program
Supports medical, dental and educational services for members of the North Carolina agricultural labor force and their families

Rural Health Information Technology Program
Provides technical assistance to improve the use of Electronic Health Record (EHR) Systems and the use of health information exchange

NC Rural Hospital Program
Funds operational improvement projects for the benefit of all critical access hospitals and eligible small rural hospitals

NC Medication Assistance Program
Provides free and low-cost medications donated by pharmaceutical manufacturers to patients who cannot afford them

NC Statewide Telepsychiatry Program
Supports psychiatric evaluation of patients through videoconferencing technology in emergency departments

NC Integrated Health Systems
Supports community health initiatives and demonstration projects that benefit vulnerable populations
North Carolina Office of Rural Health
Primary Care - Health Professional Shortage Areas (HPSA)

Counties with a Population or Geographic Primary Care HPSA (82 Counties)

Counties with at least One Facility Auto-HPSA or an Other Facility HPSA (51 Counties)

Disclaimer: Primary Site only, does not include Correctional Facilities or Federally Qualified Health Center (FQHC) satellite sites

Data as of January 3, 2018
Loan Repayment Acronyms

• National Health Service Corps (NHSC)
  – Is administered by the Bureau of Health Workforce (BHW) in the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS).

• NC Loan Repayment Program (NC LRP)
  – State supported

• High Needs Service Bonus (HNSB)
  – State supported

• Federal Loan Repayment Program (NC SLRP)
  – Federal funds administered by ORH with additional philanthropic fund matching (50%)
### NHSC, NC LRP, HNSB, and NC SLRP Guidelines

<table>
<thead>
<tr>
<th>Program</th>
<th>Payment Amount</th>
<th>Site Info</th>
<th>Years of Service</th>
<th>Eligible Providers</th>
</tr>
</thead>
</table>
| **National Health Service Corp** | **$50,000 (paid at beginning of contract- penalties if provider leaves)** | Site must be:                                                            | **2** (6 years max) | • Physicians – Family Medicine, OB/GYN, General Internal Medicine, Geriatrics, General Pediatrics, General Psychiatry  
• Physician Assistants (Primary Care)  
• Nurse Practitioners – Adult, Family, Pediatrics, Psychiatric / mental health, Geriatric, Women’s Health, Certified Nurse Midwives, Psychiatric Nurse Specialists  
• Dentistry  
• Dental Hygienist  
• Mental and Behavioral Health – Health Service Psychologist, Licensed Clinical Social Worker, Licensed Professional Counselor, Marriage and Family Therapist, Physician Assistant |
| **NC Loan Repayment**          | **$100,000 graduated payments**  
- Physicians  
- Dentists  
**$60,000 graduated payments**  
- Nurse Practitioners  
- Physician Assistants  
- Dental Hygienists | Automatic eligibility for:  
- State Alcohol and Drug Abuse Treatment Centers (psychiatrists only),  
- NHSC certified sites (or making meaningful strides toward NHSC certification)  
- State Mental Health Hospitals (psychiatrists only)  
- Critical Access Hospitals | **4** | • Physicians – Family Medicine, OB/GYN, General Internal Medicine, General Pediatrics, General Psychiatry  
• Physician Assistants (Primary Care)  
• Nurse Practitioners – Adult, Family, Pediatric, Psychiatric / mental health, Certified Nurse Midwives  
• Dentists  
• Dental Hygienists |
| **NC High Needs Service Bonus** | **$50,000 graduated payments**  
- Physicians  
- Dentists  
**$30,000 graduated payments**  
- Nurse Practitioners  
- Physician Assistants  
- Dental Hygienists | Automatic eligibility for:  
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• Physician Assistants (Primary Care)  
• Nurse Practitioners – Adult, Family, Pediatric, Psychiatric / mental health, Certified Nurse Midwives  
• Dentists  
• Dental Hygienists |
| **Federal Loan Repayment (SLRP)** | **$30,000 (static payment over 2 years)** | Site must be:  
- Located within a HPSA  
- NHSC certified (or making meaningful strides toward NHSC certification)  
- *integrated care setting* | **2** | • Licensed Clinical Social Workers  
• Licensed Professional Counselors  
• Marriage and Family Therapists  
• Psychiatric Nurse Specialists  
• Health Service Psychologists |
National Health Service Corp

• Payment Amount:
  – $50,000 (paid at beginning of contract- penalties if provider leaves)

• Site Information Requirements:
  – Located within a HPSA
  – NHSC certified (or making meaningful strides toward NHSC certification)

• Years of Service: 2 (6 years max)

• Eligible Providers:
  – Physicians – Family Medicine, OB/GYN, General Internal Medicine, Geriatrics, General Pediatrics, General Psychiatry
  – Physician Assistants (Primary Care)
  – Nurse Practitioners – Adult, Family, Pediatrics, Psychiatric/Mental Health, Geriatric, Women’s Health, Certified Nurse Midwives, Psychiatric Nurse Specialists
  – Dentistry, Dental Hygienist
  – Mental and Behavioral Health – Health Service Psychologist, Licensed Clinical Social Worker, Licensed Professional Counselor, Marriage and Family Therapist, Physician Assistant
NC Loan Repayment

• Payment Amount:
  – $100,000 graduated payments for Physicians and Dentists
  – $60,000 graduated payments for Nurse Practitioners, Physician Assistants and Dental Hygienists

• Site Information - automatic eligibility for:
  – State Alcohol and Drug Abuse Treatment Centers (psychiatrists only)
  – NHSC certified sites (or making meaningful strides toward NHSC certification)
  – State Mental Health Hospitals (psychiatrists only)
  – Critical Access Hospitals

• Years of Service: 4

• Eligible Providers:
  – Physicians – Family Medicine, OB/GYN, General Internal Medicine, General Pediatrics, General Psychiatry
  – Physician Assistants (Primary Care)
  – Nurse Practitioners – Adult, Family, Pediatric, Psychiatric/Mental Health, Certified Nurse Midwives
  – Dentists, Dental Hygienists
NC High Needs Service Bonus

- **Payment Amount:**
  - $50,000 graduated payments for Physicians and Dentists
  - $30,000 graduated payments for Nurse Practitioners, Physician Assistants, and Dental Hygienists

- **Site Information - automatic eligibility for:**
  - State Alcohol and Drug Abuse Treatment Centers (psychiatrists only)
  - NHSC certified sites (or making meaningful strides toward NHSC certification)
  - State Mental Health Hospitals (psychiatrists only)
  - Critical Access Hospitals

- **Years of Service:** 4

- **Eligible Providers:**
  - Physicians – Family Medicine, OB/GYN, General Internal Medicine, General Pediatrics, General Psychiatry
  - Physician Assistants (Primary Care)
  - Nurse Practitioners – Adult, Family, Pediatric, Psychiatric/Mental Health, Certified Nurse Midwives
  - Dentists, Dental Hygienists
Federal Loan Repayment (SLRP)

- **Payment Amount:**
  - $30,000 (static payment over 2 years)

- **Site Information Requirements:**
  - Located within a HPSA
  - NHSC certified (or making meaningful strides toward NHSC certification)
  - Integrated care setting

- **Years of Service:** 2

- **Eligible Providers:**
  - Licensed Clinical Social Workers
  - Licensed Professional Counselors
  - Marriage and Family Therapists
  - Psychiatric Nurse Specialists
  - Health Service Psychologists
SFY 2017 National Health Service Corps Current Active Placements

49 New awards in SFY 2017 for a total of $2,160,572.57

60 Continuation awards in SFY 2017 for a total of $933,565.36

* Data from 2017 NC Field Strength Report
State Loan Repayment and High Needs Service Bonus for SFY 2013 – Current

Patient Insurance Distribution

- 43.8% Medicaid
- 30.1% Uninsured
- 12.7% Medicare
- 10.7% Private
- 2.3% Other

Amount of Incentives

$0 to $1,000,000+
Current Providers in Loan Repayment Programs

- **Federal Loan Repayment (SLRP)**
  - 13 Providers

- **High Needs Service Bonus and State Loan Repayment (State Funds)**
  - 104 Providers

117 TOTAL PROVIDERS
SFY 2017 North Carolina Loan Repayment Program and High Needs Service Bonus Program (82 Providers)

Disciplines of Clinicians Placed

- **27 (33%)** Physicians
- **24 (29%)** Nurse Practitioners
- **22 (27%)** Dentists
- **7 (8%)** Physician Assistants
- **2 (3%)** Other Disciplines

Facility Type Breakdown

- **21 (26%)** Federally Qualified Health Center
- **12 (14%)** Office Based Clinic or Practice
- **16 (20%)** Health Department
- **21 (26%)** Other
- **6 (7%)** Mental Health and Substance Abuse Facility
- **6 (7%)** Rural Health Clinic

Economic Impact

- **$45 Million**

*Composition (Practice Sights) and Economic Impact (IMPLAN)*
## Sample Payment Schedules for NC State Loan Repayment Program

<table>
<thead>
<tr>
<th>Physician and Dentist LRP</th>
<th>Other Eligible Providers LRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment 1 - 1/15/2018</td>
<td>Payment 1 - 1/15/2018</td>
</tr>
<tr>
<td>$2,860</td>
<td>$1,716</td>
</tr>
<tr>
<td>Payment 2 - 7/15/2018</td>
<td>Payment 2 - 7/15/2018</td>
</tr>
<tr>
<td>$5,720</td>
<td>$3,432</td>
</tr>
<tr>
<td>Payment 3 - 1/15/2019</td>
<td>Payment 3 - 1/15/2019</td>
</tr>
<tr>
<td>$8,580</td>
<td>$5,148</td>
</tr>
<tr>
<td>Payment 4 - 7/15/2019</td>
<td>Payment 4 - 7/15/2019</td>
</tr>
<tr>
<td>$11,440</td>
<td>$6,864</td>
</tr>
<tr>
<td>Payment 5 - 1/15/2020</td>
<td>Payment 5 - 1/15/2020</td>
</tr>
<tr>
<td>$14,300</td>
<td>$8,580</td>
</tr>
<tr>
<td>Payment 6 - 7/15/2020</td>
<td>Payment 6 - 7/15/2020</td>
</tr>
<tr>
<td>$14,300</td>
<td>$8,580</td>
</tr>
<tr>
<td>Payment 7 - 1/15/2021</td>
<td>Payment 7 - 1/15/2021</td>
</tr>
<tr>
<td>$21,400</td>
<td>$12,840</td>
</tr>
<tr>
<td>Payment 8 - 7/15/2021</td>
<td>Payment 8 - 7/15/2021</td>
</tr>
<tr>
<td>$21,400</td>
<td>$12,840</td>
</tr>
<tr>
<td>Totals</td>
<td>Totals</td>
</tr>
<tr>
<td>$100,000</td>
<td>$60,000</td>
</tr>
</tbody>
</table>

*Graduated Payments Based on Service Time/State Supported*
Sample Payment Schedules for High Needs Service Bonus

<table>
<thead>
<tr>
<th>Physician and Dentist HNSB</th>
<th>Other Eligible Providers HNSB</th>
</tr>
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<tbody>
<tr>
<td>Payment 1 - 1/15/2018</td>
<td>Payment 1 - 1/15/2018</td>
</tr>
<tr>
<td>$1,430</td>
<td>$858</td>
</tr>
<tr>
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<td>Payment 2 - 7/15/2018</td>
</tr>
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</tr>
<tr>
<td>Payment 3 - 1/15/2019</td>
<td>Payment 3 - 1/15/2019</td>
</tr>
<tr>
<td>$4,290</td>
<td>$2,574</td>
</tr>
<tr>
<td>Payment 4 - 7/15/2019</td>
<td>Payment 4 - 7/15/2019</td>
</tr>
<tr>
<td>$5,720</td>
<td>$3,432</td>
</tr>
<tr>
<td>Payment 5 - 1/15/2020</td>
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</tr>
<tr>
<td>$50,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

*State Supported*
SFY 2017 Federal Loan Repayment Program

Disciplines of Clinicians Placed

8 (100%) Mental Health

Facility Type Breakdown

4 (50%) Federally Qualified Health Center
3 (37%) Other
1 (13%) Mental Health and Substance Abuse Facility

Economic Impact

$1.8 Million

4 Licensed Clinical Social Workers
3 Licensed Professional Counselors
1 Health Service Psychologist

*Federal funds administered by ORH
Composition (Practice Sights) and Economic Impact (IMPLAN) in North Carolina- Funded by Health Research Service Administration (HRSA)
Federal Loan Repayment for FY 2015 – Current

*Federal funds administered by ORH

Amount of Incentives

$0

$100,000+
Sample Payment Schedules for Federal Loan Repayment

**SLRP**

<table>
<thead>
<tr>
<th>Payment 1 - 1/15/2018</th>
<th>$7,500</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment 2 - 7/15/2018</td>
<td>$7,500</td>
</tr>
<tr>
<td>Payment 3 - 1/15/2019</td>
<td>$7,500</td>
</tr>
<tr>
<td>Payment 4 - 7/15/2019</td>
<td>$7,500</td>
</tr>
</tbody>
</table>

*Federal funds administered by ORH*
## ORH Contract Completion and Default Rates

### State Loan Repayment and High Needs Service Bonus

<table>
<thead>
<tr>
<th>Year</th>
<th>Retention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>55/58 = <strong>95%</strong></td>
</tr>
<tr>
<td>2017</td>
<td>46/55 = <strong>84%</strong></td>
</tr>
<tr>
<td>2016</td>
<td>35/57 = <strong>61%</strong></td>
</tr>
<tr>
<td>2015</td>
<td>58/78 = <strong>74%</strong></td>
</tr>
<tr>
<td>2014</td>
<td>74/94 = <strong>79%</strong></td>
</tr>
<tr>
<td>2013</td>
<td>54/72 = <strong>75%</strong></td>
</tr>
</tbody>
</table>

Retention % is number of contracts retained during loan period/total contracts during loan period.

### Federal Loan Repayment

<table>
<thead>
<tr>
<th>Year</th>
<th>Retention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5/5 = <strong>100%</strong></td>
</tr>
<tr>
<td>2017</td>
<td>9/10 = <strong>90%</strong></td>
</tr>
<tr>
<td>2016</td>
<td>4/4 = <strong>100%</strong></td>
</tr>
</tbody>
</table>
ORH Contract Completion and Default Rates for Long Term Contracts (3-4 Year Commitments)

State Loan Repayment and High Needs Service Bonus

<table>
<thead>
<tr>
<th>Year</th>
<th>Retention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>37/40 = <strong>93%</strong></td>
</tr>
<tr>
<td>2017</td>
<td>28/36 = <strong>78%</strong></td>
</tr>
<tr>
<td>2016</td>
<td>18/26 = <strong>69%</strong></td>
</tr>
<tr>
<td>2015</td>
<td>27/43 = <strong>63%</strong></td>
</tr>
<tr>
<td>2014</td>
<td>20/32 = <strong>63%</strong></td>
</tr>
<tr>
<td>2013</td>
<td>18/30 = <strong>60%</strong></td>
</tr>
</tbody>
</table>

Best indicator of completed 4 year contracts

Retention % is number of contracts retained during loan period/total contracts during loan period.
SFY 2017 - Top Three Retention Factors

Practice Sights Retention Data - Based on % of respondents who agreed to the statement – Includes all respondents from every program

**NC State Loan Repayment**
- I feel like I am doing important work: 94%
- I fully value the mission of my practice: 83%
- Staff in my practice support my professional judgment: 83%

**Nation Health Service Corps**
- I feel like I am doing important work: 88%
- I fully value the mission of my practice: 88%
- Staff in my practice support my professional judgment: 88%

**Federal Loan Repayment (SLRP)**
- I feel like I am doing important work: 100%
- I fully value the mission of my practice: 100%
- I feel a strong personal connection with my patients: 100%

**Other 20 States that participate in Practice Sights Retention Data**
- I feel like I am doing important work: 97%
- I fully value the mission of my practice: 94%
- Staff in my practice support my professional judgment: 93%
## SFY 2017 - Top Three Retention Factors - Community

<table>
<thead>
<tr>
<th>Factor</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC State Loan Repayment</td>
<td>My spouse is happy in the community</td>
<td>We feel safe in the community</td>
<td>We have access to most of the things we like to do</td>
</tr>
<tr>
<td>Nation Health Service Corps</td>
<td>The community provides well for my children's need</td>
<td>My children are happy in the community</td>
<td>We feel safe in the community</td>
</tr>
<tr>
<td>Federal Loan Repayment (SLRP)</td>
<td>We feel safe in the community</td>
<td>My children are happy in the community</td>
<td>My spouse is happily employed</td>
</tr>
<tr>
<td>Other 20 States that participate in Practice Sights Retention Data</td>
<td>We feel safe in the community</td>
<td>My children are happy in the community</td>
<td>My spouse is happy in the community</td>
</tr>
</tbody>
</table>

*Practice Sights Retention Data - Based on % of respondents who agreed to the statement – Includes all respondents from every program*
## SFY 2017 - Lowest Three Retention Factors

**Practice Sights Retention Data** - Based on % of respondents who agreed to the statement – Includes all respondents from every program

<table>
<thead>
<tr>
<th>Program</th>
<th>Statement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC State Loan Repayment</td>
<td>I am well compensated given my training and experience</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>The staffing at my practice is stable-not much recent turnover</td>
<td>34%</td>
</tr>
<tr>
<td></td>
<td>Work rarely encroaches on my personal time</td>
<td>37%</td>
</tr>
<tr>
<td>Nation Health Service Corps</td>
<td>My total compensation package, including benefits, is fair</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Work rarely encroaches on my personal time</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td>I am well compensated given my training and experience</td>
<td>38%</td>
</tr>
<tr>
<td>Federal Loan Repayment (SLRP)</td>
<td>I am well compensated given my training and experience</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>I have real input into administrative decisions</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>Work rarely encroaches on my personal time</td>
<td>50%</td>
</tr>
<tr>
<td>Other 20 States that participate in Practice Sights Retention Data</td>
<td>I am well compensated given my training and experience</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Work rarely encroaches on my personal time</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>The staffing at my practice is stable-not much recent turnover</td>
<td>42%</td>
</tr>
</tbody>
</table>
SFY 2018 Loan Availability and Consumption

- 2015: $1,499,977
- 2016: $1,499,977
- 2017: $1,499,977
- 2018: $1,499,977

State Appropriations

Trend = exhausting funds earlier

September 2019?
Summary

• No silver bullet to recruit/retain providers so collectively we can make an impact
• Community engagement is critical across stakeholders: economic development, health, education
• Communities provide invaluable information to help direct resources and efforts
• Telehealth (broadband access) will open doors for improved health, employment and education