

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2266

2005 SENATE HUMAN SERVICES

SB 2266


2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Human Services Committee

☐ Conference Committee

Hearing Date January 25, 2005

Tape Number	Side A	Side B	Meter #
1	x		1580-5657
1		x	3980-4280
Committee Clerk Signature 			

Minutes:

Chairman Lee opened the hearing on SB 2266. All members were present.

**Testimony in favor of SB 2266**

Senator Jack Traynor, District 15, Devils Lake, was a cosponsor of this bill and introduced it.

This will provide communities with improved state and community partnership with a loan repayment program with use as a recruitment tool. This is important in an area like Devils Lake because we are forever seeking more, new physicians in various fields and I am a trustee of a trust created by a woman 20 years ago. She provided that  $\frac{3}{4}$  of the trust go to provide students at the medical school at the University of North Dakota. We have provided thousands of dollars to these students. It is amazing the amount of indebtedness these students have even after the first year. Anything we can do as a state to improve this situation would certainly be welcome.

**David Peske, Director of Governmental Relations for the North Dakota Medical Association**

See written testimony (Attachment 1, 1A)

Mr. Peske also went through the bill and explained the proposed changes. (tape 1 side 1 meter 2050-2845)

**Gary Garland, Director of the Office of Community Assistance for the North Dakota Department of Health.**

See written testimony (Attachment 2)

**David Wilson, Dean of the School of Medicine and Health Sciences at the University of North Dakota**

Concerned with the amount of student debt. This sometimes influences their choice of specialty. The average amount is \$100,000. Some specialty population is declining. On "Match Day" when the computer matched what specialty a student can go in to, 25% family medicine spots were unfilled. They are eventually filled, but oftentimes by international graduates. At present, less than half of the students in family medicine are American. We were troubled by this, so we looked at how other states were solving this problem; we looked at Colorado. I suggested to the ND medical association that the loan repayment program in ND was not sufficient to attract family doctors into rural communities--many of which are in real need of family doctors, and that's why we're here today. The amount needs to be increased.

There was general discussion concerning the amount of debt.

**Guy Tangadahl, Director of the Center for Family Medicine in Bismarck**

Our program has been in existence for 29 years and graduated 117 physicians. Over 2/3 of these family practice doctors have stayed in North Dakota. Many have settled in the larger towns, but some have gone to the smaller communities and have done well. Increasingly,

though, debt over \$100,000 is common. The debt does influence where these physicians end up.

Anything that can be done to strengthen this program and make it more attractive would be great

**Sen. Dever:** Is there a major difference in compensation between the bigger cities and rural areas?

**Tangadahl:** Not necessarily. But the market does fluctuate. A doctor can make a nice living in a small community especially when they become established.

**Chairman Lee:** Do you see one of the challenges in a small community isn't necessarily the income, but the commitment to call. If you're part of a larger practice, you have a little better control over your personal time, and you have very little of that if you're only one physician in a community.

**Tangadahl:** That's true.

There was no more testimony in favor, neutral or in opposition to SB 2266.

Chairman Lee closed the hearing on SB 2266.

**Senator Brown moved do pass, Senator Dever seconded. Vote: 5 yeas, 0 nays, 0 absent**

**Carrier: Senator Lyson**

**Referred to Appropriations**

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Human Services Committee

☐ Conference Committee

Hearing Date March 21, 2005

Tape Number	Side A	Side B	Meter #
1		X	32.5 - 42.4
Committee Clerk Signature <i>Janet James</i>			

Minutes:

**Senator Judy Lee**, Chairman of the Senate Human Services Committee opened committee work on SB 2266.

All members of the committee were present.

**Senator Lee** reported to the committee that in visiting with Dave Peske, he urges the committee not to concur with the House amendment on the bill to include three years to repay the loan plus four years to stay in the community. The Medical Association feels they should be the same amount of time.

Discussion and review of the House amendment was held by the committee members as they waited to locate Dave Peske. He was not located.

**Senator Dick Dever** asked if a community could set the length of time longer than three years if they chose to do so.

**Senator Richard Brown** asked why would you want to keep a person if they do not want to stay.

Page 2

Senate Human Services Committee

Bill/Resolution Number SB 2266

Hearing Date 3-21-05

Discussion was held in regards to the most current copy of the bill and the fiscal impact requiring a fiscal note.

**Senator Lee** told the committee she will not concur on SB 2266.

**Senator Lee** closed the committee work on SB 2266.

Date: 1-25-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2766

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Sen Brown Seconded By Sen Dever

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee - Chairman	✓		Sen. John Warner	✓	
Sen. Dick Dever - Vice Chairman	✓				
Sen. Richard Brown	✓				
Sen. Stanley Lyson	✓				

Total (Yes) 5 No 0

Absent 0

Floor Assignment Sen Lyson

If the vote is on an amendment, briefly indicate intent:



**REPORT OF STANDING COMMITTEE (410)**  
**January 25, 2005 4:39 p.m.**

**Module No: SR-16-1040**  
**Carrier: Lyson**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2266: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2266 was rereferred to the Appropriations Committee.**

2005 SENATE APPROPRIATIONS

SB 2266


2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2266

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 1, 2005

Tape Number	Side A	Side B	Meter #
1	a	b	
Committee Clerk Signature 			

Minutes:

**Chairman Holmberg** opened the hearing on SB 2266, with roll call. All were present with one absent.

**David Peske, Director, Governmental Relations for the ND Medical Association (NDMA)**, representing all active physicians, residents in training, students, and retired members in ND, presented written testimony in **support of SB 2266**. He indicated the Senate Human Services Committee has unanimously recommended and supports this bill. He discussed the current program, the participation since inception, and the proposed changes.

Questions were raised about historic issues of medical students going into specialties rather than family medicine, concerns expressed about lowering the retention time to three years would mean physicians would leave communities faster, whether all positions are getting filled and whether all of the designated money is being utilized.

**Gary Garland, Director, Office of Community Assistance for ND Department of Health,**

provided written testimony which **provided information** about the State Community Matching Physician Loan Repayment Program, **SB 2266**. He discussed the history of the program, the number of physicians participating in the program and the repayment recipients by community.

**Guy Tangedahl, MD, Director, Family Practice Center, Bismarck,** testified in **support of SB 2266**. He discussed the graduate retention rate in North Dakota and indicated a significant number of the residents graduating do work in rural North Dakota. He did indicate a big concern of the graduating residents is the loan repayment.

**Sharon Moos, Executive Director, ND Nurses Association,** presented written testimony in **support of SB 2266**. She indicated advanced practice nurses earn nine percent lower then those in urban areas but the NDNA is concerned about the low utilization of the matching loan repayment program.

**Chairman Holmberg** closed the hearing on SB 2266.


2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 02/14/05

Tape Number	Side A	Side B	Meter #
3	x		172-912
Committee Clerk Signature 			

Minutes: **Chairman Holmberg** opened discussion on SB 2266.

Sen. Andrist Moved the amendment, stating that the money is already there. The bill expands the program somewhat. A voice vote was taken. Amendment was accepted.

**Sen. Grindberg:** I will vote for this bill reluctantly.

**Sen Christmann:** Where does the money come from?

**Sen. Andrist:** The money comes from the community has to match it, they thought this might increase utilization.

**Sen. Bowman:** I think this bill has good points and bad points, because Doctors may leave the community they are inn high and dry.

A **DO Pass as Amended** motion was made by Sen. Andrist, seconded by Sen. Robinson. A vote was taken it passed 13 to 14, with 1 absent and not voting. Sen Lyson will be carrying the bill.

**Chairman Holmberg** closed meeting on SB 2266.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2266

Page 1, line 4, remove "; and to provide an appropriation"

Page 3, remove lines 1 through 8

Renumber accordingly

Date 2-11-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2266

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken

Do Pass as Amended

Motion Made By

A

Seconded By

R

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	✓		SENATOR KRAUTER	✓	
VICE CHAIRMAN BOWMAN	✓		SENATOR LINDAAS	✓	
VICE CHAIRMAN GRINDBERG	✓		SENATOR MATHERN	✓	
SENATOR ANDRIST	✓		SENATOR ROBINSON	✓	
SENATOR CHRISTMANN	✓	✓	SEN. TALLACKSON	✓	
SENATOR FISCHER	✓				
SENATOR KILZER	✓				
SENATOR KRINGSTAD	✓				
SENATOR SCHOBINGER	✓				
SENATOR THANE					

Total (Yes)

13

No

1

Absent

Floor Assignment

HMS

Upon

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2266: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). SB 2266 was placed on the Sixth order on the calendar.**

Page 1, line 4, remove "; and to provide an appropriation"

Page 3, remove lines 1 through 8

Renumber accordingly



2005 HOUSE HUMAN SERVICES

SB 2266


2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2266**

House Human Services

x Conference Committee

Hearing Date **3-7-05**

Tape Number	Side A	Side B	Meter #
1	x		1250 ---- 3306
Committee Clerk Signature 			

Minutes:

**Chairman Price Opened the Hearing on SB 2266.**

**Sen Jack Traynor:** (MR1250) Yrs ago a client of mine established a trust & 3/4 of the income from that trust (*can't understand*). We obtain applications from the students & I'm astounded at the debt that these kids have, in many cases, over \$100,000 & sometimes \$200,00, so anything you can do to help that situation will help & I think this bill is one of the tools for that.

**Chairman Price:** You said you had a client that established a trust account, how would that fit into the bill?

**Sen Traynor:** Maybe it wouldn't, I wanted to emphasize the debt that the students have to get through medical school.

**Dave Peske, Dir of Gov Relations for the ND Medical Assoc:** (MR#1500) appeared in support of SB 2266 (See attached testimony)

**Rep Porter:** (2043) On P. 2, Sub Sect 5, talks about going from 5 community grants to an unlimited number of community grants. In the discussion, how does this tie back into the \$125,000?

**D. Peske:** That is a change, the original program allows 5 communities. This is more flexibility for the state health complex, the language removes that (*can't understand*) community & allows them to put in place any number of communities that are interested. Rep Delzer's thought about an amendment, would be to add "subject to (*can't understand*) funding." There could be instances, in some communities, not coming up with the money.

**Guy Tangedahl, Director of Center of Family Medicine:** (2299) appeared in support of SB 2266. Our program, in Bismarck, trains physicians that have graduated from medical school & have decided to specialize in family medicine. It's a 3 yr program, in Bismarck we take 5 new residents a yr, we have 15 residents at any given time. A similar program with similar size is in Grand Forks & Minot. In the 25 yrs that our program has been in existence we've graduated 117 physicians & of that number over 2/3 have decided to set up their practice in ND. While many of them have chosen to practice in bigger communities, like Mandan & Jamestown, we have had success in putting Drs in smaller communities, like Richardton, Watford City, Hettinger, etc. Anytime we can have one of our graduates go to one of our small communities, we consider that a success. As director, I spend quite a lot of time working with our residents & am involved with where to establish a practice. I'm here to confirm that most of our residents do come out of school with a debt of over \$100,000 & that is certainly a major influence in deciding where they will establish practice. Anything that can be done that will motivate these physicians to stay in our state deserves our consideration & I encourage the passage of SB 2266.

**Chairman Price:** Can you give us a reason why you think there were no applicants for 3 yrs?

**Tangedahl:** Probably the amount of money wasn't enticing.

**Gary Garland, Director of the Office of Community Assistance for ND Dept of Health:**

(2499) appeared in support of SB 2266. (See attached testimony)

**Chairman Price:** You have \$75,000 available for this biennium, how much will be offered?

**Garland:** We're down to about \$5,000.

**Chairman Price:** You still have 2001, or is this the last yr there's recipients under the program?

**Garland:** The oldest, I guess.

**Chairman Price:** How many recipients are you paying out for this biennium?

**Garland:** We have currently 1 physician in the program, we are also negotiating with another 1 that will be coming on soon. In the 2003-2005 biennium there was 1 new addition & in the 2005-2007 we're expecting at least 1.

**Chairman Price:** If you have \$75,000, how many people have accessed that in this biennium?

**Garland:** This past July we pd off the final payment for 5 physicians, to my knowledge we're down to about \$5,000 or \$8,000 left this biennium. Many states are offering a much more generous package then we are here in ND, so we want to be able to compete with them.

**Chairman Price:** How are the communities selected?

**Garland:** The physician & the community really match up before the application process begins. We work with the UND School of Medicine, they do the ground work, there's an individual in our office that contracts & does the ground work to match communities with physicians who are looking. At this time, there's 22 communities that are looking for physicians.

It's really on a 1st come 1st serve basis, unless we would have more applicants then we have spots.

**Chairman Price:** So if we sweeten the pot, as you're asking, I'd think you'd get more applicants, you'd be looking at the shortage areas first?

**Garland:** They'll be first on the list. As you notice, almost all of the areas on the handout I gave you are designated shortage areas.

**Chairman Price:** Any further questions, if not is there any more testimony in support, any opposition? We'll close the hearing on SB 2266. (3306)


2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2266**

House Human Services Committee

☐ Conference Committee

Hearing Date **15 March 2005**

Tape Number	Side A	Side B	Meter #
1		X	1551 - 4865
Committee Clerk Signature 			

Minutes:

**Chairman Price opened discussion of SB 2266.** I some concerns over changing the 4 to 3 on line 22. The same thing with line 26 on page 2. We're doubling the money. Right now they get a total of \$40.0 paid over four years. This is going to \$45.0 from the state over 3 years and the community will match that so we going to \$9.0. Oftentimes a hospital employee is not putting down the roots in the community that they used to.

**Rep. Weisz:** I can understand your objection which I have also. I don't however have a problem with the payout. If there is a reason I would be willing to change my mind. I just didn't see the problem that I could understand why you would want you want that higher retainer over a shorter period of time.

**Chairman Price:** So you are saying on 26 and 31, are the only places you would need to go back to. Mr. Peske, where is it that if they leave early they pay back?

**Mr. Peske:** That provision is not printed in the bill. It's in the statute.

**Rep. Nelson:** I like this proposed amendment. I know in many professional areas those first 3 or 4 years make an impact as to the ability to retain that individual for a longer period of time. I think a 4-year commitment is reasonable. If that doesn't draw people into this program we need to look at that in a subsequent Legislative session. I would think this would be a draw and I'm fairly excited about our community setting up some type of program and the fund raising situation to enter into this. The needs are out there and this will address that.

**Rep. Kaldor:** I would ask Dave a question. Outside of current law, I think in our case in Mayville we also supplement the Health Department planned program. Merit Care does something and the community does something. Does the Merit Care and the community funds represent the match with the Health Department right now? How do they function?

**Peske:** I'm aware that in many cases when we were at State Health Council in discussing this concept, there's a hospital administrator from Watford City who indicated that the clinic supplemented the community match. I don't know for sure if they add it all together but if they need to make it more than the \$40.0 that it was currently there is probably \$5.0 from the community, \$5.0 from the state, and then the clinic or hospital supplement that amount.

**Rep. Kaldor:** That's what we had to do in our case when we were recruiting. It was substantially more than we are doing here.

**Peske:** We heard Senator Traynor from Devils Lake indicate that he administers a foundation that does basically the same thing. Our concern is that are smaller communities that are recruiting physicians that don't have that supplemental match available to them.

**Rep. Kaldor:** If we were to retain the language we have for the maximum dollar amount and if we were to extend that 3-year, which is worth more. It's obviously going to be most attractive if

we do both. If we were did that 3-year to the 4-year with the additional funds do you think that would still looked upon as an incentive.

**Peske:** I will believe it will. Certainly we felt the 3-year and \$90.0 would be the most attractive. If you go for the 4-year, \$90.0 we could get the Center for Rural Health behind it and get the word out to physicians and see if this is enough of an incentive.

**Rep. Weisz:** I still support moving that retainer to 3 years.

**Rep. Damschen:** Does your association do an analysis of the average length of stay in the place of employment?

**Peske:** We have a data base but we don't track how many years they are at an address. What we do track is the average of physicians and we know that the average age is increasing. I assume they are tracking the placement because they are involved in recruitment.

**Rep. Nelson:** I would guess that a 4-year commitment isn't unreasonable.

**Peske:** I would say that is correct. But if a new physician has offers from other states for similar incentives may think about committing 4 years. That's why the 3-year is more attractive.

**Rep. Damschen:** I'm wondering if the existing statute about the penalty for not keeping a contract would that be interpreted by the state portion or the community, being the community language is new?

**Peske:** It's paid on an annual basis so it's not like you giving the full contract amount and then having to pay back something you got. If you don't stay you haven't been paid.

**Rep. Kaldor:** We just went through this in Mayville. We had a physician that left in the third year of a four year commitment. He paid us back a significant amount. I suppose it depends on what the local community puts in.



**Rep. Weisz:** In your case they paid. Who would have had to prosecute had he not?

**Rep. Kaldor:** It would be civil action. We would have had to sue. He went to a Wisconsin community who paid him an incentive and part of that came back to us.

**Rep. Porter:** It's like a baseball contract. I would say the money comes from the recruiter. It's like buying out a baseball contract. The rural communities are at a disadvantage because they can only bid so much.

**Chairman Price:** We have the proposed amendment.

**Rep. Delzer:** I move that amendment:

**Rep. Kaldor:** Second.

**A voice vote was taken: The amendment passed**

**Chairman Price:** The second thing. On top of page two. There was the discussion of the possibility of a cap of 10 people. There should be enough funding for 10 people. That language was not changed when Section 5 was dropped from the bill.

**Rep. Delzer:** I don't think it's necessary to put a number in there because this is subject to the availability of funds.

**Rep. Porter:** I move to remove the overstrikes throughout the bill on the word "four" and remove "three."

**Rep. Nelson:** I second.

**Rep. Weisz:** Going back to discussion we had. The local areas have to scrape these dollars up to match these fund. Physicians, when they leave services, part of the negotiations they have is payback. Four years is not that big an obligation for that amount of money.

**A voice vote was taken: The amendment passed.**

**Rep. Weisz:** I propose we go back to 3 years on line 26. Maybe that will help.

\_\_\_\_ : I Second.

**A voice vote was taken: The amendment passed.**

**Rep. Weisz:** I move we remove the overstrike on page 2, line 1, etc., (see standing committee report).

**Rep. Porter:** Second.

**A voice vote was taken. A show of hands was asked for: The amendment passed.**

**Chairman Price:** Are there size limits on these communities?

**Peske:** The criteria is either 10 or 15,000. If FICFA--CCCS determines they are a community in need they can apply and get it. It can be a small area or a large community that is deemed to have a shortage. There are five criteria they look at.

**Rep. Nelson:** I move a Do Pass as Amended.

**Rep. Kaldor:** I second.

**A roll call vote was taken.**

**Yes: 10, No: 1, Absent: 1 (Sandvig)**

**Rep. Nelson will carry the bill.**

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2266

Page 2, line 3, after "program" insert ", subject to the availability of funding for this purpose"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment limits the state share of funding for the physician loan repayment program to the amount of funding available to the State Department of Health for this purpose.

**House Amendments to Engrossed SB 2266 - Human Services Committee 03/16/2005**

Page 1, line 1, after the second comma insert "and"

Page 1, line 2, remove ", and section 43-17.2-08"

**House Amendments to Engrossed SB 2266 - Human Services Committee 03/16/2005**

Page 2, line 1, remove the overstrike over "~~up to~~", after the first "~~five~~" insert "ten", remove the overstrike over "~~recipients in~~", after the second "~~five~~" insert "ten", and remove the overstrike over "~~communities~~"

Page 2, line 2, remove "any number of recipients and communities"

Page 2, line 3, after "program" insert ", subject to the availability of funding for this purpose"

Page 2, line 26, remove the overstrike over "~~four~~" and remove "three"

Page 2, remove lines 28 through 31

Renumber accordingly

Date: 3/15/05

Roll Call Vote #: )

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. B2264

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass as Amcd

Motion Made By Nelson Seconded By Kaldor

Representatives	Yes	No	Representatives	Yes	No
Chairman C.S.Price	✓		Rep.L. Kaldor	✓	
V Chrm.G. Kreidt	✓		Rep.L. Potter	✓	
Rep. V. Pietsch	✓		Rep.S. Sandvig	AB	
Rep.J.O. Nelson	✓				
Rep.W.R. Devlin	✓				
Rep.T. Porter		✓			
Rep.G. Uglem	✓				
Rep C. Damschen	✓				
Rep.R. Weisz	✓				

Total (11) 10 yes No 1

Absent 1- Sandvig

Floor Assignment Rep Nelson

on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2266**, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2266 was placed on the Sixth order on the calendar.

Page 1, line 1, after the second comma insert "and"

Page 1, line 2, remove ", and section 43-17.2-08"

Page 2, line 1, remove the overstrike over "~~up to~~", after the first "~~five~~" insert "ten", remove the overstrike over "~~recipients in~~", after the second "~~five~~" insert "ten", and remove the overstrike over "~~communities~~"

Page 2, line 2, remove "any number of recipients and communities"

Page 2, line 3, after "program" insert ", subject to the availability of funding for this purpose"

Page 2, line 26, remove the overstrike over "~~four~~" and remove "three"

Page 2, remove lines 28 through 31

Renumber accordingly

2005 SENATE HUMAN SERVICES

CONFERENCE COMMITTEE

SB 2266

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Human Services Committee

☒ Conference Committee

Hearing Date March 30, 2005

Tape Number	Side A	Side B	Meter #
1	xx		00-2360
Committee Clerk Signature <i>Cathy Menard</i>			

Minutes: Chairman Brown opened the conference committee on SB 2266. Present also were:

Senator Lyson, Senator Warner, Rep. Nelson, Rep. Porter and Rep. Sandvig.

**Chairman Brown** asked Rep. Nelson to explain what the House committee did to the bill and why.

**Rep. Nelson:** The major disagreement would be over the repayment period, the four to three years change.

**Chairman Brown:** You raised the \$40,000 to \$45,000 and you lowered the times from four years to three years.

**Rep. Nelson:** The issue of 40,000 to 45,000, that was given to us. The three years, there was disagreement on the House side on how we did that. The three year period was considered to be a bigger incentive for some physicians to take advantage of this program and our committee felt it would get more people to apply for and use this program. That was the only issue we had--the three to four year change. I think its a good piece of legislation and we need to move forward.



**Rep. Porter:** The change of four to three was definitely a piece of the puzzle that I didn't agree with because these things are like baseball contracts. When the recruited comes around and recruits this position, and it recruits them away from a small rural community where there is obviously a need, or they wouldn't be able to get into this program in the first place. The part of that recruitment process is the next level of payment and they go back and sit down at the negotiating table and say the salary and benefits they want, and that the recruiter need to pay back the remainder of the loan repayment penalty because they're opting out of the contract. To me, you can have it down as 10 years and there's always going to be somebody recruiting this physician and they're always going to repay this contract off. I just didn't agree lowering it to three when we're doubling the amount of money of what the contract would be. Because it used to be \$40,000 total, now it's \$90,000 because the local match is another \$45,000. You doubled it and dropped a year off. I disagree because I know how they work and in the end if that physician gets recruited to some place better, that recruiting service is going to buy that contract out anyway.

**Chairman Brown:** You wanted to leave it back at the four and \$40,000?

**Rep. Porter:** The dollar amount I understand and like the local match part of it. I just thought the three years was too short.

**Dave Peske, North Dakota Medical Association:** The medical association in conjunction with the school of medicine, the center for rural health, the health department and others reached unanimity with the language we put in there, we're finding that physicians coming out of school are having more than \$100,000 in debt. To commit to the current program of four years to a community is just not of interest to them given the \$40,000 potential payback over that time. So

that was when the Senate passed the three year commitment with an increase in the payback. We didn't plan this today, but we have a resident doctor of the day here from the Bismarck Family Practice residency program, Dr. Tracy Mulburg Schaffer, who has indicated that she's had offers from North Dakota communities and she's coming out of school with over \$200,000 in medical loan debt. The offers in North Dakota could not match other places. The state of Minnesota allows you to start out in a loan repayment program for a two year period of time. South Dakota will give you a three year commitment of time and Montana can go as low as a six month period of time. The key we were seeking in this is not only an incentive because of the dollars, but to be able to go in and find out from a community if you're compatible and this is the place you want to go. In North Dakota, we have the advantage because we're training primarily North Dakota natives who know a lot about this state's smaller communities and has a natural predisposition to go there. That's why three years was chosen and I understand that there has been positions that have gone under the four year program that have been able to leave after less than the four year commitment because the community and the physician found out they weren't compatible and the health council let them break the contract because it wasn't in the best interest of either to stay. That's why we moved the flexibility down to three years and I agree with Rep. Porter that any contract could be bought out at any time. The number of years is almost immaterial. We would like to make this as attractive as possible and give it a try moving it to two years.

**Chairman Brown:** You don't have any problem with any of the amendments?

**Peske:** The amendments that were made in the House moved the three year payment alone but they move the three years back to four years for the contract commitment. To us, that might create an administrative problem for the health council and with writing that contract.

**Chairman Brown:** We're removing the overstrike of 'four' and removing 'three'. You would rather it stay at three?

**Peske:** Yes. Because of that amendment one of the sections of the bill was removed in the House that changed four to three was no longer necessary and that needs to be put back in.

There was discussion on which areas were changing among the committee.

The doctor of the day talked about her experiences with deciding where to practice and the deciding factors.

**Rep. Nelson:** The details of what this conference committee is dealing with, though, are rather minor as far as the major changes we've made--we've doubled the commitment from the community and the state toward this. If this bill, in either of its forms, had been in place would you have considered North Dakota more seriously.

**Schaffer:** Yes. And I did consider North Dakota seriously. But it would have made a difference.

**Rep. Sandvig:** I don't have a problem with this going back to three.

**Rep. Nelson:** In section one of the 0300 version page 2, we did change that to 10 recipients. It's not a serious change, but we did specify a number.

Chairman Brown asked the committee members to go over the amendments in order.

**Sen. Lyson:** Why is there a figure on there, we left it up to the department of health to set this.

**Rep. Nelson:** I assuming it was the appropriation in the bill. We did discuss a situation where a community could maybe qualify with more than one physician but the \$125,000 would have been the appropriation issue; how much money we would have for this, and it was opened and we decided to tighten it up a little.

**Chairman Brown:** You could have left it open ended and just put 'subject to availability' and solved the same thing.

**Rep. Nelson:** We could have.

**Sen. Lyson:** The way we've written it, that's exactly the way it would be.

**Sen. Warner:** One thing we should consider is that the appropriation will vary from session to session, but if we put this in code, it's in code permanently until further amended.

**Chairman Brown:** Good point.

**Sen. Warner:** I'm inclined to allow the language, subject to availability to be the determining factor. It becomes a self adjusting thing rather than readdressing that section of code every time.

**Chairman Brown:** The next line, can we live with that? 'Any number of recipients in a community' leave it open-ended?

**Sen. Warner:** I think so.

**Chairman Brown:** Go back to the Senate version? I guess that is the Senate version.

**Rep. Porter:** With the addition of the subject to availability of funding for this purpose language?

**Senators in unison:** I could live with that.

**Chairman Brown:** Can we agree that the first three, we would back off on 1 and have 2 and 3; so any number of recipients and communities subject to the availability of funding. Is that okay?

Everyone agreed.

**Chairman Brown:** So let's take the next 1, remove the overstrike over four and remove three.

Would we go back to three? Heard some interesting testimony on that.

**Rep. Porter:** I think they should all go back to four all the way across the board. I think that these programs, we've doubled the amount of money from \$40,000 to \$90,000 and a four year commitment is a good commitment for these rural communities. they need long term commitments in regards to this. They can't be going back and getting local funds every three years to try and find another physician to come into their community. They have to be able to establish a long term relationship. Just to get a practice going in these communities, the first year to year and a half is spent waiting for people to come to you because you're the new doctor in town. I think that the contract itself is only as good as the paper its written on because they're easily bought out by the next community, next state, or next area that this physician wants to go to just by including in their negotiation. You don't even need to have a term in there because they're easily bought out.

**Chairman Lee:** If we don't need a term why can't we go to three then?

**Rep. Porter:** I think that four years is the establishment of a practice. I don't think you can establish a practice in three years. The first year you don't have any patients.

**Sen. Warner:** I have a question for Mr. Garland.

**Garland:** About 85% of the physicians that have come into the program have stayed beyond their term. We believe a three year commitment will have the same results. We're competing for physicians in North Dakota with other states that are offering, at this point, more attractive loan repayment packages. that competitive nature part of this program that we want to be able to

attract the best physicians and offer a package that is attractive. this law was passes initially in 1993 and in 1993, \$40,000 was in the neighborhood of what physicians were in debt when they came out of school. But times have changed and now, as Dr. Schaffer and other physicians have said, physician are coming out with debt in excess of \$100,000. So we want to be competitive and offer an attractive package to North Dakota to physicians from North Dakota School of Medicine and other schools of medicine.

**Sen. Warner:** How many participants do you have, and how much of your appropriation are you using?

**Garland:** We have used most of the appropriation that we have. We had 19 physicians go through the program since it began in 1993. Initially we were seeing a lot of applicants, but during the past few years the applicants have dropped off considerably. We currently have one physician in the program. We had five or six complete the program in July of this year. So that used most of the money. There's about \$5,000 left in the account.

**Sen. Warner:** That answers my question. It looks like the program is not very attractive right now.

**Garland:** That is our judgment.

**Rep. Nelson:** I think there's another consideration that we need to consider. Now we're asking the communities that are trying to attract physicians into their community to practice to participate in this. From the standpoint of the community, that four year commitment, I think would, in situations where there's nonprofit hospitals or where the community has to come up with the funding, their match. It would seem to me it would be easier for those communities to raise the money to match if there were a four year commitment. There is a longer tie to the

community. With that, though, there's the understanding that there are buyout options. I think there's an incentive for members of the community to participate with the four year commitment, we should at least consider that.

**Sen. Lyson:** I look at this and we're running into a tree here, non renewable loan repayment program for three years and then we come down here and we go into a four year, and they have to stay an extra year after the loan payment is complete. If we do the right job with the doctor who's there and make him feel at home, we won't have a problem. If we don't do that, that one year is going to be hell for everybody.

**Senator Warner moved that the House recede from it's amendments and further amend.**

**Seconded by Senator Lyson.**

**Vote: Senate: 3 yeas, 0 nays    House: 1 yea, 2 nays    Motion failed.**

**Chairman Brown:** We are out of time, so I'll have to reschedule.

**Sen. Lyson:** So I understand the motion that failed here, was only the portion one line 1 through 3 on page 2.

**Rep. Porter:** The motion was to go back to the Senate version except to insert the amendment that the House made on page 2 line 3 after 'program' to insert 'subject to availability of funding for this purpose.'

**Sen. Warner:** Was your understanding that the House position was to go back to the four years?

**Rep. Porter:** I think that's our major point on the contract. But we're in general agreement with the other things. My feeling is that it should be four, four and four across the board.

**Chairman Brown adjourned the meeting.**

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Human Services Committee

☐ Conference Committee

Hearing Date April 1, 2005

Tape Number	Side A	Side B	Meter #
1	x		00-2135
Committee Clerk Signature <i>Carolyn Thomas</i>			

Minutes:

Chairman Brown opened the conference committee meeting. Present were Senators Lyson, Warner, Representatives Nelson, Porter and Sandvig.

Chairman Brown: Rep. Nelson, you were going to do some research.

Rep. Nelson: The House position is that we should be consistent in the bill: whatever number we decide on, whether it's the required time the physician would be employed at the hospital would be the same as the payback. For the sake of consistency, I would like to make a motion that we (and I'm working off the 0300 copy) that in page 1 line 22 that be changed to four years, page 2 line 6, four years, line 26 is already fours. This would be receding from the House amendments.

Chairman Brown: Why do you want to go four rather than three?

Rep. Nelson: That was our original thought, that that was best for the communities involved.

We have every intention to see where the votes are and we'll go on with this if we need to. On



page 2, the language we agreed to about taking the five or ten recipients out understanding that that is still the same and needs to be part of that motion as well.

Rep. Porter: In the House discussion, the four years on the contract length seems to be an important item to the Human Services committee. I do agree, from our previous discussion, that whatever the number is and however this comes out, that those numbers need to match. You can't have a contract term longer than the loan repayment. I'm going to support this motion because it matches all three of them back to four years.

Chairman Brown: And there's nothing saying that they can't pay it off earlier.

Rep. Porter: There's nothing saying that if they get a better offer from somewhere else that that's part of their negotiation with whoever is buying them out of their existing contract.

Sen. Lyson: The reason we went to three was because the medical school and some of the doctors felt they weren't getting people to go into the smaller communities because of the four-year obligation.

Chairman Brown: I believe that's accurate.

Rep. Nelson: I think that's only part of the pie. The other reason was that it was only a \$40,000 stipend and that has been more than doubled to \$90,000. Wherever we end up, this is going to provide more incentive because of the money and time requirement is secondary.

Rep. Porter: Is there anything in this statute that limits the local communities to just the match. They can go over it as much as they want, but in order to get access to the state's \$45,000, they have to at least raise \$45,000. If they wanted to go over it with \$50,000 or \$60,000 through negotiations with this physician, they should be more than welcome to do that?

Sen. Lyson: With this new bill, but not in the current statute.

Sen. Warner: I'd like to refer to Rep. Nelson's comment that this is really a two-step process.

We're significantly increasing the amount of money and reducing the time commitment. I don't think it's all that burdensome to take one step at a time. If we can take the step to increase the money and see if that does the job and that increases the number of people who take advantage of the program, and if it isn't, we can go back another time and reduce it another year. So at least in this point in the conversation, I'm willing to go along with the House's desire for a four-year commitment as long as we recognize we've significantly increased the amount of money.

Rep. Sandvig: I was okay with it when it passed out of the House, but I am a little concerned with graduates committing to four years.

Chairman Brown introduced the doctor of the day, Dr. Steve Hammer and asked him if he had any comments.

Hammer: I come from a small community, Allendale. Allendale is one of the few towns in the state that has lost its hospital and lost all of its doctors. Medicine is different today. It's more about lifestyle issues for the new physicians than money. Although money is also very important. And the cost of medical school has gone through the roof. When I started, UND was \$900 a semester and it was a two-year medical school and when I transferred to Baylor it was \$2800 a semester for out-of-state students and \$400 a semester if you were instate. The money I saved on tuition, I was able to buy house and that just doesn't happen anymore. Residents are getting paid more, when I started my residency, I was paid \$7000 and \$14000 four years later. You couldn't raise a family on that, it was way behind the poverty level. That has gone by the wayside. Most residents get between \$40,000 and \$60,000. But the loans they're coming out of medical school with are \$150,000-\$200,000 and when you're looking at lifestyle issues and debt

repayment, four years is a long commitment for these young people. A lot of these women that are being graduated, are leaving with kids already in training to be on call every night. It's a problem getting them to the community to start with. If somebody wants to come to North Dakota we get reimbursed less than any other state does. So why do people come here? They come here for quality of life issues, it's safe and a good place to raise kids. They find that out once they get here and the facilities are fine. But just getting them here is difficult. But they have a decision to make--do they want to take half of what they'll make somewhere else but have a good lifestyle or do I want to live someplace else and get paid twice as much but I might have to carry a gun with me. We lost 13 rural surgeons last year and this year there are two more leaving and within the next 10 years we're going to lose 10 more and there are no plans on how to replace them. And that's just in surgery. In primary care, it's also a huge problem. So anything that can lessen that burden, if you get them in that community, you know that it doesn't take long for you to figure out whether they're going to work and it doesn't take them long to figure out whether they want to stay. If they have to sign up for four years, they're not going to go. They're not in that time frame anymore. If you want to really impact medical care in the rural community, the buck and the time is where it's at.

Sen. Lyson: The doctors coming out of colleges now and going to the small communities, what percentage of them go there, like it and stay?

Hammer: Not sure. Depends on the community. If you have a community that has more than one doctor, the chances are they're probably like that and stay. You'd be on-call less often. This bill would probably make that more possible because they don't have to make a big upfront

income to get that debt paid off. They're not going to make a lot of money in a rural community; rural docs get paid less, get reimbursed less, that's just part of the way the federal system works.

Rep. Nelson: The physicians that come into our communities, the J1s make a three year commitment and often that's as long as we get them. The people that come from the medical school at UND are the ones that have stayed longer. I want to maximize with this program to provide incentives to bring docs in but that's just one component. We're going to need a mix of J1s and graduates from UND. The call commitment is a very large part of the process because we struggle with call as much as anything. It's almost on par with the salary--we just don't have enough people and they don't want to give up their weekends.

Hammer: The other problem you're going to have with call issue, is the 80-hour workweek. All residency programs are mandated--a resident cannot work longer than 80 hours or their program will lose its accreditation or go on probation. That's a huge problem especially for rural communities. This is what they're coming out--never expecting to work more than 80 hours. Right now, I've gone to half time and that's about 65 hours a week. These guys are coming out being told you shouldn't ever have to work more than 80 hours and that doesn't fit with the rural community at all.

Rep. Porter: Maybe we should set a minimum, and leave the rest up to negotiations by the local community, the hospital, the civic leaders, because, if I'm going to work in Rugby, ND (for example) and state funds is a direct match with the local community funds and they sit down and work out a two or two and a half year or three year or six year contract, why should that matter to us at the capitol in Bismarck? Maybe the angle we should be looking at is setting a minimum to at least get something back out of our state funds and the local community set that contract

because they may be throwing another \$60000 or \$70000 into it and they're set at three or four year and they may want it for six years and if they get someone to sign for that then that's their contract. After listening to Dr. Hammer, the carrot you're throwing out is going to be different in every situation and we're setting something in stone. Maybe we should be looking at, because the state has a \$45000 investment in this program, that we should be looking at a two-year minimum contract for the state funds and above that, the community can set whatever they want, because they're an equal partner.

Hammer: What you might add to that is a significant penalty if they choose to bow out of that contract. You really want to keep them there to give them that flavor of your community for more than just a year.

Rep. Porter: The community has the same investment as the state has and have way more risk. And if somebody bows out, they're out a doctor. If we want to give them the tools, we always talk about the strings that go with money, maybe we should be looking at it from a minimum standpoint and let that local community put the strings they think fit them. Things that work in Rugby, doesn't necessarily work in Hettinger or other areas. I would rather see us working off of minimums.

Rep. Nelson: I rescind my motion.

Sen. Warner: How do you anticipate this synchronicity issue then in term of the loan and the obligation. Do we put that into code?

Rep. Porter: I don't know that we're any smarter than the local community leaders in how they write their contracts. They need to look at it from their standpoint of who they're negotiating with and what terms they come up with. We set the minimums, that in order to get the state

match, is all we're saying. If we say in this bill that in order for you to get the state match, you have to come up with a minimum of \$45,000 and the minimum term is two years. After that the local community can say we're talking to a certain doctor and he's agreed to come here, we're going to throw in \$50,000 and make it worth \$95,000 but it's going to be a three-year obligation instead of two. Or maybe the doctor can come to the table with their student loan papers and the community can pay that for them, but it's a four-year commitment. It would be up to the local community to work with that physician to get them to come into the community to work. The penalty provisions are already in the law on how the repayment goes.

Sen. Lyson: I move that we recess this committee to let Rep. Porter go to legislative council and get something in writing to help us out.

Chairman Brown thanked Dr. Steve Hammer and adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2266

Senate Human Services Committee

☒ Conference Committee

Hearing Date April 8, 2005

Tape Number	Side A	Side B	Meter #
1	x		00-588
Committee Clerk Signature <i>Cathy Minard</i>			

Minutes:

Chairman Brown opened the conference committee on SB 2266. Present were Senators Lyson and Warner, Representatives Nelson, Porter and Sandvig.

Chairman Brown: We have two proposals before us.

Rep. Porter: I asked Carlee to prepare an amendment in two different ways. The first way is the three year period and the community can negotiate further. The second is a two year period, and the community can go longer if they want on their portion. The reason, after listening to Dr. Hammer and the other physician Dave Peske brought in, was that our physicians are being recruited in this region and the recruiting program they're competing against is the two-year program. I thought if we're going to have a meaningful recruiting tool for the communities, we have to meet the minimum of what the others are doing.

Rep. Nelson: From the hospital standpoint in North Dakota, I would prefer three years but I think this program needs to go forward, I wouldn't oppose the two-year period, but personally think the three year is preferred from the hospital's standpoint.

Rep. Porter explained the hospital's standpoint and said it doesn't matter that much between the two or three year proposal.

Sen. Lyson: If we pass the two-year and leave up to the community to extend, we would certainly have more information in two years down the line and we could review it at that time. We don't want to get blind sighted by another state.

Dave Peske, North Dakota Medical Association: This bill started out with an appropriation in it.

He went on to explain the appropriation changes and added that there is now a chance for a three to one match concerning federal and state matching funds.

Sen. Warner: Are there length of service requirements on federal matching funds?

Peske: No, I don't believe it's structured in the incremental way the state program is. The MPPA portion of this is a two year program.

Representative Porter moved DO PASS on the 2 year amendment, seconded by Representative Nelson.

Sen. Warner: I'm going to vote against it, I would prefer the three years, just because I think these communities might be churning doctors and leaving for more money. The same communities will be looking for doctors sooner.

VOTE: Senate: 2 yeas, 1 nay House: 3 yeas, 0 nays Motion passed.

Chairman Brown adjourned the meeting.



REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE) - 420

3/30/05

07398

(Bill Number) SB 2266 (, as (re)engrossed):

Your Conference Committee

For the Senate:

	att	vote
Chairman Brown	✓	y
Sen. Lyson	✓	y
Sen. Warner	✓	y

For the House:

	att	vote
Rep. Nelson	✓	N
Rep. Porter	✓	N
Rep. Sandberg	✓	y

☐ recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)  
723/724 725/726 5724/5726 5723/5725  
the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

☐ and place \_\_\_\_\_ on the Seventh order.  
727

☒ , adopt (further) amendments as follows, and place  
\_\_\_\_\_ on the Seventh order:

☐ having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed. 690/515

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the  
calendar.

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

CARRIER: \_\_\_\_\_

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted \_\_\_\_\_

Statement of purpose of amendment \_\_\_\_\_

(1) LC (2) LC (3) DESK (4) COMM.

Date: 4-8-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2266

Senate Human Services

Committee

☒ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass - 2 yr. amendment

Motion Made By Rep. Nelson Seconded By Rep. Nelson

Senators	Yes	No	Representatives	Yes	No
<u>Chairman Brown</u>	<u>✓</u>		<u>Rep Nelson</u>	<u>✓</u>	
<u>Sen. Lopez</u>	<u>✓</u>		<u>Rep Porter</u>	<u>✓</u>	
<u>Sen. Wagner</u>		<u>✓</u>	<u>Rep Sandberg</u>	<u>✓</u>	

Total (Yes) 2/1 No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

**REPORT OF CONFERENCE COMMITTEE**

**SB 2266, as engrossed:** Your conference committee (Sens. Brown, Lyson, Warner and Reps. Nelson, Porter, Sandvig) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 896-897, adopt amendments as follows, and place SB 2266 on the Seventh order:

That the House recede from its amendments as printed on pages 896 and 897 of the Senate Journal and page 1144 of the House Journal and that Engrossed Senate Bill No. 2266 be amended as follows:

Page 1, line 22, replace "three" with "two"

Page 1, line 24, after the underscored period insert "The selected community may negotiate a period of service longer than two years."

Page 2, line 3, after "program" insert "subject to the availability of funding"

Page 2, line 6, replace "three-year" with "two-year"

Page 2, line 26, replace "three" with "two"

Page 2, line 31, replace "three" with "a minimum of two"

Renumber accordingly

Engrossed SB 2266 was placed on the Seventh order of business on the calendar.

**2005 TESTIMONY**

SB 2266

**SENATE HUMAN SERVICES COMMITTEE****SENATE BILL NO. 2266****PHYSICIAN LOAN REPAYMENT PROGRAM****JANUARY 25, 2005**

Chairman Lee and members of the Senate Human Services Committee, my name is David Peske, Director of Governmental Relations for the North Dakota Medical Association. NDMA represents member physicians who are in active practice in all medical specialties, residents in training programs, and retired members from across the state. Thank you for this opportunity to provide information in support of **SB 2266**, proposing revisions to the ND state physician loan repayment program.

Under the current program, begun more than a decade ago, the state and rural communities selected by the State Health Council may each contribute up to \$5000 per year to assist a physician in repaying their student loan debt, in return for the physician's commitment to practice in the community for a period of four years.

Members of the NDMA Commission on Medical Education, in concert with the Dean of the UND School of Medicine and staff at the UND Center for Rural Health, began discussing the decline in utilization of the existing physician loan fund program several years ago. We found that medical school graduates were becoming less interested in participating, for two main reasons: they were uncomfortable with the length of the practice commitment, and with their student loan debt upon graduation increasing to an average of between \$100,000-120,000, the \$40,000 maximum repayment was not a compelling incentive.

Last summer the Commission on Medical Education recommended that revisions to the law be prepared, and the NDMA House of Delegates concurred. NDMA staff then met with the State Health Officer and the loan program staff, who also agreed that revisions to the statute were desirable. The concept was also presented to the State Health Council, whose members were very receptive to the changes. The proposed changes to the statute, allowing greater program flexibility and recruitment incentives, are contained in SB 2266. After describing them briefly, I will ask Mr. Gary Garland, administrator of the program in the Health Department, to briefly review the history and utilization of the program.

Since the bill does not encompass changes to the entire chapter, I have also distributed a copy of NDCC 43-17.2 for reference by the Committee if necessary.

**CHAPTER 43-17.2  
PHYSICIAN LOAN REPAYMENT PROGRAM**

**43-17.2-01. State-community matching physician loan repayment program.**

1. The North Dakota state-community matching physician loan repayment program is established as provided by this chapter.
2. The purpose of the program is to increase the number of physicians practicing medicine in North Dakota communities with defined health professional medical need.
3. Under the program, loan repayments may be made to a recipient for educational expenses incurred while the recipient was attending an accredited four-year allopathic or osteopathic medical school located in the United States or Canada.
4. Loan repayment funds consist of a fifty percent match from the state and a fifty percent match from the selected community.
5. Each recipient is limited to a forty thousand dollar maximum loan repayment to be paid over four years.
6. The state health council shall select up to five recipients in five communities each year as participants in the program.

**43-17.2-02. Powers of state health council.** The state health council may:

1. Determine eligibility and qualifications of an applicant to receive loan repayment in accordance with section 43-17.2-03.
2. Identify communities with health professional medical need and establish a priority ranking for program participation of the selected communities.
3. Determine the amount of the loan repayment an applicant may receive within the parameters of this chapter. This determination must include an investigation of the outstanding education loans incurred by the applicant.
4. Determine the condition of loan repayment to an applicant.
5. Enter into a four-year nonrenewable loan repayment program contract with the applicant and the selected community to provide repayment of education loans in exchange for the physician agreeing to practice medicine in the selected community.
6. Receive and use funds appropriated for the program.
7. Receive and use funds paid by the selected communities for repayment of education loans for physicians who apply and qualify for assistance under the program.
8. Enforce any contract under the program.
9. Cancel a contract for reasonable cause.
10. Participate in federal programs supporting repayment of loans to eligible physicians, and agree to the conditions of the federal programs.
11. Create a loan repayment application packet.
12. Accept property from any entity.

13. Work with the university of North Dakota's center for rural health in implementing this chapter.

**43-17.2-03. Physician selection criteria - Eligibility for loan repayment.**

1. The state health council shall establish criteria to apply to an applicant for a loan repayment. The criteria must include:
  - a. The extent to which an applicant's training is in a medical specialty determined by the state health council to be needed in a selected community.
  - b. The applicant's commitment to serve in a community with defined health professional medical need.
  - c. The applicant's achieving a match with a selected community.
  - d. The availability of the applicant for service, with the highest consideration being given to an applicant who is available for service at the earliest date.
  - e. The applicant's professional competence and conduct.
  - f. The applicant's willingness to accept medicare and medicaid assignment.
2. The state health council shall give priority for program participation to an applicant who:
  - a. Graduated from the university of North Dakota school of medicine and is enrolled in or has completed a university of North Dakota school of medicine postgraduate residency training program;
  - b. Graduated from an accredited out-of-state medical or osteopathic college and is enrolled in or has completed a university of North Dakota school of medicine postgraduate residency training program; or
  - c. Graduated from the university of North Dakota school of medicine and is enrolled in or has completed an accredited out-of-state postgraduate residency training program in a specialty training program not available in this state.
3. A physician who receives loan repayment under this chapter:
  - a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States or Canada;
  - b. Must be enrolled in or have graduated from an accredited graduate training program in medicine prior to or within one year after submitting an application to participate in the loan repayment program and not have practiced full-time medicine in this state within three years before the date of the application;
  - c. Must be licensed to practice medicine in this state;
  - d. Shall submit an application to participate in the loan repayment program; and
  - e. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of four years at the selected community if the applicant receives a loan repayment program contract.

**43-17.2-04. Community selection criteria.**

1. The state health council shall apply at least the following criteria for selecting a community with defined health professional medical need:
  - a. The ratio of physicians to population in the community.
  - b. Access by the residents of the community to medical care within the community and in the surrounding area.
  - c. Assessment of the expected number of physician visits within the community per year.
  - d. The mix of physician specialties within the community.
  - e. Indications of community support for more physicians within the community.
2. The state health council shall give priority for participation to a community that:
  - a. Demonstrates a need for primary care physicians or for a physician trained in the specialty of psychiatry; or
  - b. Has a population of not more than fifteen thousand persons.
3. In selecting a community with health professional medical need, the state health council may consult public and private associations and organizations and make an onsite visit to a community for assessment.

**43-17.2-05. Eligible loans.** The state health council may provide for loan repayment to a recipient of any education loan. The council may not provide for repayment of any loan that is in default at the time of the application. The amount of repayment must be related to the applicant's outstanding education loans. No applicant may receive repayment in an amount greater than the total outstanding balance on the applicant's education loans together with applicable interest. Loan payments may not be used to satisfy other service obligations under similar programs.

**43-17.2-06. Breach of loan repayment contract.** A recipient of loan repayment under this chapter who breaches the loan repayment program contract by failing to begin or complete the obligated service is liable for twice the total uncredited amount of all loan repayment that was contracted on a prorated monthly basis. Any damages the state is entitled to recover under this chapter must be paid to the health council within one year from the date of the breach of the loan repayment program contract. Amounts not paid within the one-year period may be subject to collection through deductions in medicaid payments or other collection methods. Damages recoverable for breach of contract include all interest, costs, and expenses incurred in collection, including attorney's fees. Damages collected under this section must be prorated among the state and the involved community. The state share must be deposited in the general fund. For compelling reasons, the health council may agree to and accept a lesser measure of damages for breach of a loan repayment program contract.

**43-17.2-07. Release from contract obligation.** An applicant is released from the applicant's obligated service, without penalty, if the obligated service has been completed; the applicant is unable to complete the term of the contract because of permanent physical disability; the applicant dies; or the applicant proves extreme hardship or other good cause, to be determined by the council. A decision by the health council not to release an applicant from the applicant's obligated service without penalty is reviewable by the district court.

**43-17.2-08. Term of obligated service.** The length of the term of obligated service of a recipient of a loan repayment under this chapter is four years.

**43-17.2-09. Payment.** No payment may be made under this chapter until the physician has practiced at least six months on a full-time basis in a selected community with health



professional medical need. Any arrangement made by the state health council for loan repayment in accordance with this chapter must provide that any loan repayment for a year of obligated service be made no later than the end of the fiscal year in which the physician completes the year of obligated service.

**Testimony**

**Senate Bill 2266**

**Senate Human Services Committee**

**Tuesday, January 25, 2005; 8:50 a.m.**

**North Dakota Department of Health**

Good morning, Madam Chair and members of the Senate Human Services Committee. My name is Gary Garland, and I am director of the Office of Community Assistance for the North Dakota Department of Health. I am here to provide information about the State Community Matching Physician Loan Repayment Program (N.D.C.C. 43-17.2).

The North Dakota Department of Health administers the State Community Matching Physician Loan Repayment Program with the assistance of the University of North Dakota School of Medicine and Health Sciences. Currently, the program accepts as many as five new physicians per year and provides up to \$40,000 of educational loan repayments dollars to each physician. One-half of the loan repayment dollars are provided by the state general fund and the other half by the community in which the physician works (usually provided by a hospital/clinic). In exchange for the loan repayment dollars, each physician must provide four years of service.

In the current biennium, the Department of Health has a general fund appropriation of \$75,000 available for both the Physician Loan Repayment Program and the State Community Matching Loan Repayment Program for Nurse Practitioners, Physician Assistants and Certified Nurse Midwives (N.D.C.C. 43-12.2-01).

Since 1993 when the program began, 19 physicians have participated in the Physician Loan Repayment Program, serving in 12 North Dakota communities federally designated as shortage areas or with populations of fewer than 15,000 people. (An attachment showing the number of physicians by community is provided.)

*Same  
testimony  
given to  
the House  
& to Senate  
Appropriations*

Over the years, the number of physicians entering the program has fluctuated, as the following chart illustrates.

<b>Biennium</b>	<b>Number of Physicians in Loan Repayment Program</b>
1993 – 1995	8
1995 – 1997	2
1997 – 1999	3
1999 – 2001	5
2001 – 2003	0
2003 – 2005	1
2005 – 2007	1*

*\*Pending as of December 2004*

The low number of applicants, especially in recent years, has invited an assessment of the incentives within the current law. Senate Bill 2266 is designed to help attract more physicians into the program and into service in North Dakota communities by increasing the amount of money a physician loan repayment recipient may receive from \$40,000 (\$20,000 state funds and \$20,000 matching local funds) for four years of service to \$90,000 (\$45,000 state funds and \$45,000 matching local funds) for three years of service.

This concludes my testimony. I am happy to answer any questions you may have.

**North Dakota  
Physician Loan Repayment Recipients  
Since 1993**

1/24/2005

Practice Site	Number of Physicians	School
Cando	1	UND
Carrington	2	UND
Cavalier	1	UND
Cooperstown	1	UND
Devils Lake	2	UND
Grand Forks	4	UND
Hettinger	1	Canada
Mayville	1	UND
Rugby	1	UND
Valley City	2	UND
Wahpeton	1	UND
Williston	2	UND

4/8/05

**Proposed Amendments to Engrossed Senate Bill 2266  
April 1, 2005**

That the House recede from its amendments and further amend:

Page 1, line 24, after the underscored period, insert "The selected community may negotiate a period of service longer than three years."

Page 2, line 3, after "program" insert "subject to the availability of funding for this purpose"

Page 2, line 31, after "is" insert "a minimum of"

Renumber accordingly.

**\* Two-year options: Proposed April 6, 2005**

That the House recede from its amendments and further amend:

Page 1, line 22, replace "three" with "two"

Page 1, line 24, after the underscored period, insert "The selected community may negotiate a period of service longer than two years."

Page 2, line 3, after "program" insert "subject to the availability of funding for this purpose"

Page 2, line 6, replace "three" with "two"

Page 2, line 26, replace "three" with "two"

Page 2, line 31, after "is" insert "a minimum of" and replace "three" with "two"

Renumber accordingly.

# SENATE APPROPRIATIONS COMMITTEE

## SENATE BILL NO. 2266

### PHYSICIAN LOAN REPAYMENT PROGRAM

FEBRUARY 1, 2005

Chairman Holmberg and members of the Senate Appropriations Committee, my name is David Peske, Director of Governmental Relations for the North Dakota Medical Association. NDMA represents member physicians who are in active practice in all medical specialties, residents in training programs, students, and retired members from across the state. Thank you for this opportunity to provide information **in support of Senate Bill 2266**, proposing revisions to the ND state physician loan repayment program.

The Senate Human Services Committee has unanimously recommended support of the bill.

Under the current loan program, begun more than a decade ago, the state, and rural communities selected by the State Health Council, may each contribute up to \$5000 per year to assist a physician in repaying their student loan debt, in return for the physician's commitment to practice in the community for a period of four years.

Members of the NDMA Commission on Medical Education, in concert with the Dean of the UND School of Medicine and staff at the UND Center for Rural Health, began discussing the decline in utilization of the existing physician loan fund program several years ago. We found that medical school graduates were becoming less interested in participating, for two main reasons: they were uncomfortable with the length of the practice commitment, and with their student loan debt upon graduation increasing to an average of between \$100,000-120,000, the \$40,000 maximum repayment was not a compelling incentive.

Last summer the NDMA Commission on Medical Education recommended that revisions to the law be prepared, and our House of Delegates concurred. NDMA staff then met with the State Health Officer and the loan program staff, who also agreed that revisions to the statute were desirable. The concept was then presented to the State Health Council, whose members were very receptive to the changes. The proposed changes to the statute allow greater program flexibility and recruitment incentives. After describing them briefly, I will ask Mr. Gary Garland, administrator of the program in the Health Department, to review the history and utilization of the program.

I also have materials prepared by the UND Center for Rural Health describing the need for physicians in North Dakota communities, retention rates under the loan program, and participation since inception of the program.

## Summary of Recruitment Programs

Since inception in 1992, the **State Loan Repayment Program** has approved eighteen primary care providers located in twelve communities for a retention rate of eighty-three percent.

Additionally, ten nurse practitioners or physician assistants have been placed in nine communities.

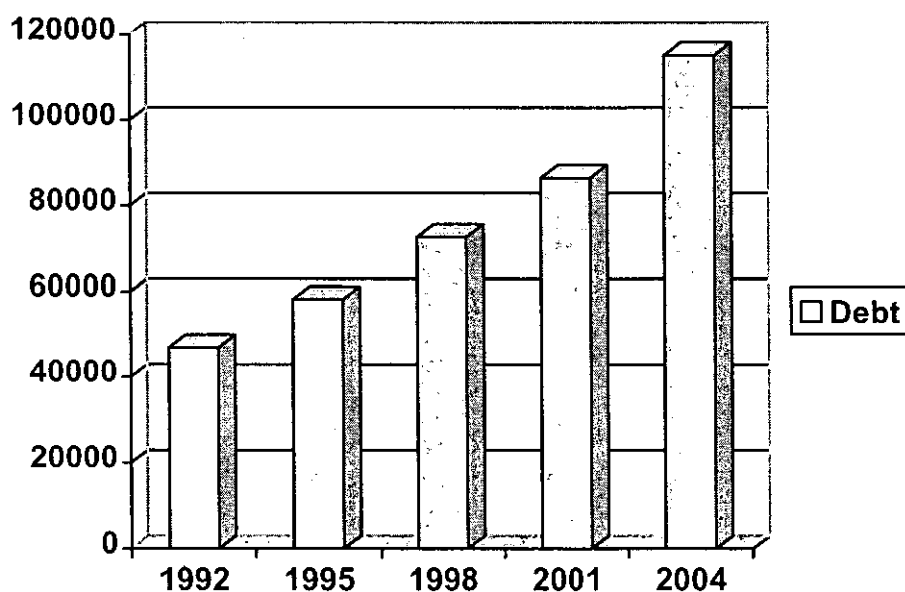
The **National Health Service Corps** federal loan repayment program has placed twelve physicians (eight of whom were UNDSHMS graduates), eleven nurse practitioners or physician assistants, one dentist and two psychologists. Over the years there has been approximately a sixty-percent retention rate of providers through this program.

The **Conrad State 30 J-1 Visa Program** has placed 84 physicians in twenty-seven communities since 1994 with a forty percent retention rate.

NOTE: Retention is defined as remaining at the practice site one year past the service obligation period.

## Educational Indebtedness of Medical School Graduates

Source: AAMC Data Book 2002



# North Dakota FOCUS On Providers

January ♦ 2005

The following is a listing of communities in North Dakota with current openings for health care providers. Please contact Mary Amundson, M.A., at the Center for Rural Health, University of North Dakota School of Medicine and Health Sciences for more information about these opportunities at 701-777-4018 or by email at [mamundson@medicine.nodak.edu](mailto:mamundson@medicine.nodak.edu)

**Beulah:** *Coal Country Community Health Center*

Dawn Berg

701-873-4821

Email: ???

Nurse Practitioner or Physician Assistant

**Bottineau:** *St. Andrew's Health Center*

Jodi Atkinson, Administrator

701-228-9312 Email: [jodia@standrewshealth.com](mailto:jodia@standrewshealth.com)

Family Medicine

**Bowman:** *Southwest Healthcare Services*

Darold Bertsch, Administrator

701-523-3214 Email: [dbertsch@swhealthcare.net](mailto:dbertsch@swhealthcare.net)

Family Medicine, Radiology Technologist

**Carrington:** *Carrington Health Center*

Mariann Doeling, DON, VP of Nsg.

Phone: 701-652-3141 Ext 7225

Email: [marianndoeling@catholichealth.net](mailto:marianndoeling@catholichealth.net)

Physical Therapist, Registered Nurse, Licensed Practical Nurse

**Cando:** *Towner County Medical Center*

Les Wietstock, Administrator

701-968-4411

Email:

Family Medicine, Registered Nurses, Licensed Practical Nurses, Physical Therapist

**Devils Lake:** *Altru Clinic - Lake Region*

Joel Rotvold, Manager, Branch Operations

Phone: 701-665-5227

Email: [jrotvold@altru.org](mailto:jrotvold@altru.org)

Family Medicine

**Dickinson:** *Great Plains Clinic, PC*

Mark Grove

Phone: 701-483-6017

Email:

Family Medicine, Internal Medicine, General Surgery

**Dickinson Clinic / Medcenter One**

Rodney Mitzel, Administrator

701-456-6000

Email: [rmitzel@mohs.org](mailto:rmitzel@mohs.org)

General Surgeon, Internal Medicine

**Grafton:** *Unity Medical Center*

Everett Buttler

Phone: 701-352-1620

Email: [umceverettb@invisimax.com](mailto:umceverettb@invisimax.com)

Radiologist

**Fargo:** *Family Healthcare Center*

Brian Rahman, Director of Operations

Phone: 701-239-2283

Email: [brahman@famhealthcare.org](mailto:brahman@famhealthcare.org)

Family Medicine

**MeritCare**

Jill Gilleshammer

Phone: 701-280-4851

Email: [jill.gilleshammer@meritcare.com](mailto:jill.gilleshammer@meritcare.com)

Allergy/Pulmonary, Cardiology, Dermatology, Family Medicine, Eating Disorders, Gastroenterology, General Surgery, Infectious Disease, Adult Neurology, Peds Neurology, Neurosurgery, Radiation Oncology, Ophthalmology, Podiatry, Adult Psychiatry, Child/Adolescent Psychology, Radiology, Rheumatology, Radiology Technologists, Ortho Surgery (Hands and General), Plastic Surgery, Trauma Surgery, Nurse Practitioners, Physicians Assistants, Clinical Nurse Specialist

**Prairie St. John's**

Sheila Klose

Phone: 701-476-7204

Email:

Registered Nurse, Licensed Practical Nurse, Occupational Therapy, Physical Therapy, Certified Nurse Aide



Center for  
Rural Health

Web site: <http://medicine.nodak.edu/crh>

University of North Dakota



School of Medicine  
and Health Sciences



**Fort Yates: Indian Health Service**

Jackie Quisno, MD  
Phone: 701-854-3831  
Email:

Family Medicine, Registered Nurse, Licensed  
Practical Nurse

**Grand Forks: Altru Health Systems**

Wayne Larson, Assoc. Dir. of Clinical Services  
Phone: 701-780-6128  
Email: [wlarson@altru.org](mailto:wlarson@altru.org)

Family Medicine, Internal Medicine, Pediatrics,  
Obstetrics

**Harvey: St Aloisius Medical Center**

Nancy Meland  
Phone: 701-324-4651  
Email:

Family Medicine, Internal Medicine, Registered  
Nurse, Licensed Practical Nurse, X-ray technologist,  
Clinical Laboratory Science, Physical Therapist

**Hettinger: West River Regional Medical Center**

Jim Long, CEO  
Phone: 701-567-6183  
Email: [jiml@wrhs.com](mailto:jiml@wrhs.com)

General Surgery, Registered Nurse, Licensed  
Practical Nurse, Occupational Therapist, x-ray and  
Radiology Technician

**Jamestown Dakota Clinic**

Dick Reiss, Recruiter  
800-882-7310  
Email: [dries@dakcl.com](mailto:dries@dakcl.com)  
Pediatrics

**Langdon: Cavalier County Memorial Hospital**

Lawrence Blue  
Phone: 701-256-6100  
Email:  
Family Medicine, Registered Nurse, Occupational  
Therapist

**Linton: Linton Hospital**

Diansyia Volk, Clinic Manager  
Phone: 701-254-4531  
Email:  
Family Medicine

**Lisbon: Family Medical Clinic PC**

Lynn Otterson, Clinic Manager  
701-683-4711  
Email: [lotter@drtel.net](mailto:lotter@drtel.net)  
Family Medicine, Internal Medicine

**West Fargo: MeritCare Walk-In West Fargo**

Jill Gilleshammer  
Phone: 701-280-4851  
Email: [jill.gilleshammer@meritcare.com](mailto:jill.gilleshammer@meritcare.com)  
Family Medicine

**New Town: Minne-Tohe Health Center Clinic**

Email:  
Phone:  
Family Medicine

**Rolla: Rolla Clinic, P.C.**

June Banse  
Phone: 701-477-3111  
Email: [rcclinic@utma.com](mailto:rcclinic@utma.com)  
Family Medicine

**Presentation Medical Center**

Kimber L. Wraalstad, CEO  
Phone: 701-477-3161  
Email: [kimberw@utma.com](mailto:kimberw@utma.com)  
General Surgeon

**Rugby: Johnson Clinic, PC**

Carol Schwan, Administrator  
Phone: 701-776-5239  
Email: [cls@stellarnet.com](mailto:cls@stellarnet.com)  
Internal Medicine

**Stanley: Mountrail County Medical Center**

Mitch Leupp,  
Phone: 701-628-2424  
Email:  
Registered Nurses, Licensed Practical Nurse,  
Certified Nurses Aide

**Tioga: Tioga Medical Center**

Lowell Herfindahl  
Phone: 701-664-3305  
Email:  
Family Medicine or Internal Medicine

**Valley City: MeritCare Valley City**

Linda Lane, Clinic Manager  
Phone: 701-845-6122  
Email: [LindaLane@meritcare.com](mailto:LindaLane@meritcare.com)  
General Surgery

**Wahpeton: MeritCare**

Jill Gilleshammer  
Phone: 701-280-4851  
Email: [jill.gilleshammer@meritcare.com](mailto:jill.gilleshammer@meritcare.com)  
Family Medicine

**Wahpeton/Dakota Clinic**

Dick Reiss, Recruiter  
800-882-7310  
Email: [dries@dakcl.com](mailto:dries@dakcl.com)  
Family Medicine

**Williston: Mercy Medical Center**

Janice Arnson, Administrator  
701.774.4788  
Email: [janicearnson@catholichealth.net](mailto:janicearnson@catholichealth.net)  
Anesthesiology, Orthopedic Surgeon, Internal  
Medicine, Psychiatrist, Urology

①

# HOUSE HUMAN SERVICES COMMITTEE

## ENGROSSED SENATE BILL NO. 2266

### PHYSICIAN LOAN REPAYMENT PROGRAM

MARCH 7, 2005

Chairman Price and members of the House Human Services Committee, my name is David Peske, Director of Governmental Relations for the North Dakota Medical Association. NDMA represents member physicians who are in active practice in all medical specialties, residents in training programs, medical students, and retired members from across the state. Thank you for this opportunity to provide information in support of **Engrossed SB 2266**, proposing revisions to the ND state physician loan repayment program.

Under the current program, begun in 1992, the state, along with a rural community selected by the State Health Council, may each contribute up to \$5000 per year to assist a physician in repaying their student loan debt, in return for the physician's commitment to practice in the community for a period of four years.

Members of the NDMA Commission on Medical Education, in concert with staff at the UND Center for Rural Health and the UND School of Medicine, began discussing the decline in utilization (no participants in 2001, 2002, and 2003) of the existing physician repayment fund program several years ago. We found that medical school graduates were becoming less interested in participating, for two main reasons: they were uncomfortable with the length of the practice commitment, and, with their student loan debt upon graduation increasing to an average of between \$100,000-120,000, the \$40,000 maximum repayment was not a compelling incentive. As shown in the attached bar graph, the average medical student loan debt rose from just over \$40,000 in 1992 to almost \$120,000 in 2004.

Last summer our Commission on Medical Education recommended that revisions to the law be prepared, and the NDMA House of Delegates concurred. NDMA staff then met with the State Health Officer and the loan program staff, who also agreed that the statute should be improved. The concept was then presented to the State Health Council, whose members were also very receptive to the changes. The proposed changes to the statute allow greater program flexibility and recruitment incentives, and are intended to draw additional physician participants to the program and our rural communities.

**The ND Medical Association requests your favorable support and a Do Pass Recommendation for Engrossed SB 2266.**

**Workforce Analysis: Current Rural Primary Care Vacancies**  
**September through December 2004:**  
**Center for Rural Health Workforce Survey**

Specialty	Vacancies Reported
FM	15
IM	5
GS	6
P	1
FM or IM	1
<b>TOTAL Primary Care Specialties</b>	<b>28</b>

**Community Vacancies Reported**

**\*HPSA (Health Professional Shortage Area)**

Bottineau:	FM (1)	X
Bowman:	FM (1)	
Cavalier:	GS (1)	X
Devils Lake:	FM (2)	
Dickinson:	FM (1), IM (2), GS (2)	
Fargo (CHC):	FM (1)	
Fort Berthold:	FM (1)	
Fort Yates:	FM (2)	X
Hazen:	FM (1)	X
Hettinger:	GS (1)	
Langdon:	FM (1)	X
Lisbon:	FM (1)	
Rolla:	FM (1), GS (1)	X
Rugby:	IM (1)	
Tioga:	FM or IM (1)	X
Valley City:	GS (1)	
Wahpeton:	FM (2), IM (1)	
Williston:	IM, P (1)	

Physicians in radiology, urology, and orthopedic surgery are also being recruited.

**North Dakota Primary Care Definition:** Primary care for North Dakota has been defined through the State Loan Repayment Program as physicians in Family Medicine (FM), Internal Medicine (IM), Pediatrics (PD), Obstetrics (OB), Psychiatry (P), and General Surgery (GS). All communities listed above qualify for the State Loan Repayment Program as defined by having populations of 15,000 or less.

**Federal Definition:** \*Health Professional Shortage Areas are federal designations of shortage indicating the population to provider ratio is less than one primary care physician (FM, IM, PD, OB) to 3500 population. Although psychiatry is not listed in the primary care shortage area definition, this specialty is included in the Mental Health Shortage Area definition.

## North Dakota State Loan Repayment Program

### Physician Program

Year	# of Awards	County Served	Educational Affiliation	*Retained	Specialty
1993	2	Pierce/Cavalier	UND	1	FM
1994	4	Grand Forks	UND	4	P
1995	2	Ramsey/Towner	UND	2	FM
1998	3	Towner/Richland/Adams	UND/Canada	3	FM
1999	0				
2000	6	Foster/Barnes (2)/Williams/Griggs/Trall	UND	5	FM
2001	0				
2002	0				
2003	0				
2004	2	Foster/Williams	UND/TX	-	FM/OBG
TOTAL	19				

### Nurse Practitioner/Physician Assistant Program

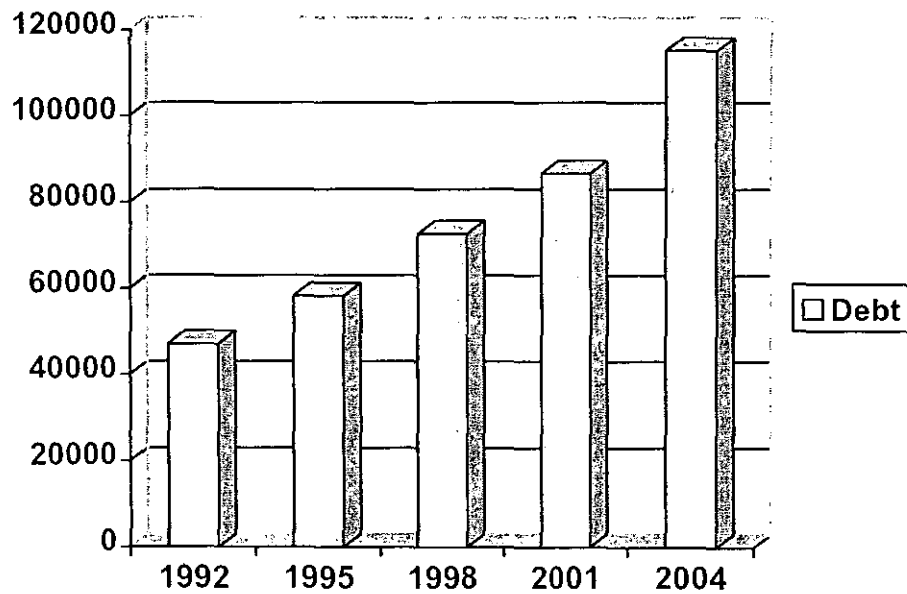
Year	# of Awards	County Served	Educational Affiliation	*Retained	Specialty
1994	2	LaMoure/Wells	IA/UND	1	PA
1995	2	Foster/McLean	UND	2	PA
1996	1	Dickey	UND	1	PA
1997	1	Mountrail	NE	?	NP
1998	2	Pembina/Dunn	UND/U-Mary	1 and ?	PA/NP
1999	0				
2000	0				
2001	1	Dunn	U-Mary		NP
2002	0				
2003	0				
2004	1	Williams	?	-	NP
TOTAL	10				

**\*Retained refers to the providers completing their service obligation and remaining at the same practice site one year following completion of the loan repayment program.**

**Legend: FM – Family Medicine  
PA – Physician Assistant**

**P – Psychiatry                      OBG - Obstetrics  
NP – Nurse Practitioner**

**Educational Indebtedness of Medical School Graduates**  
**Source: AAMC Data Book 2002**





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**SB 2266**  
**Senate Appropriations Committee**  
**February 1, 2005**

**Submitted by: North Dakota Nurses Association**

The North Dakota Nurses Association supports SB 2266 to increase funding for the State – Community Matching Loan Repayment Program for physicians, Advanced Practice Nurses, Certified Nurse Midwives and Physician Assistants.

Advanced Practice Nurses, which includes Certified Nurse Midwives, can and do play a valuable role in providing cost-effective, quality health care services. There are currently 533 licensed advanced practice nurses in North Dakota. The average salary of an advanced practice nurse in this state is just under \$76,000 annually. However, Advanced Practice Nurses in rural areas report an income that is nine percent lower than those in urban settings.

The Nurses Association is somewhat concerned about the low utilization of the matching loan repayment program by Advanced Practice Nurses, in particular, the decline in utilization from the early years of the program. We believe that knowledge regarding the availability of these funds may be limited within the state's nursing community and will make an effort to publicize this information in our quarterly newsletter which goes to all licensed nurses and nursing students in the state. We do know, from interviews and surveys of nursing students in the state, that many express interest in obtaining their master's degree and advanced practice licensure.

In late 2004, the American Association of Colleges of Nursing announced their intent of implementing a clinical doctoral degree. Current discussions within the national nursing community point to the clinical doctorate as being the next educational requirement for advanced nursing practice.

Given the value of Advanced Practice Nurses within the health care system, the interest of young nursing students in advanced practice licensure and the prospect of a doctoral degree requirement for advanced practice within the foreseeable future, the North Dakota Nurses Association supports SB 2266 to increase the State-Community Matching Loan Repayment Program.

Sharon Moos, Executive Director  
North Dakota Nurses Association