

# Steven M. Thompson Physician Corps Loan Repayment Program

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Annual Report to the Legislature  
June 2017

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Prepared by the Health Professions  
Education Foundation



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## Executive Summary

The Health Professions Education Foundation (HPEF) is a nonprofit 501(c)(3) public benefit corporation housed within the Office of Statewide Health Planning and Development (OSHPD). Pursuant to Health and Safety Code Section 128330-128370, HPEF is required to submit an annual report to the California State Legislature documenting the performance of the Steven M. Thompson Physician Corps Loan Repayment Program (STLRP).

The report is to include: 1) the number of STLRP program participants, 2) name and location of all practice settings with program participants, 3) amount expended for the program, 4) annual performance reviews by the practice settings, and 5) the program participants and the status of the Physician Volunteer Program. As the Physician Volunteer Program is not currently administered by HPEF, an update on this program is not included in this report.

This report covers the period of December 1, 2015 through November 30, 2016. It includes data on STLRP awardees who were funded by: 1) the Medical Board of California and Osteopathic Medical Board of California licensure fees, 2) the Managed Care Administrative Fines and Penalties Fund, which is administered by the Department of Managed Health Care, and 3) the third year of the California Endowment's (TCE) three-year \$21.4 million total financial aid grant for STLRP.<sup>1</sup>

During the report period of July 1, 2015 through November 30, 2016, HPEF administered one application cycle from December 7, 2015 to February 29, 2016. A total of 187 STLRP applications were received, and 63 recipients were awarded a total of \$6 million.

## Program Authority

STLRP guidelines are in California Health and Safety Code Section 128550-128558 and the California Code of Regulations, Title 22, sections 97931.01-97931.06. In June 2015, the administration of STLRP was transferred from the Medical Board of California to HPEF.

## Program Background

STLRP was established in 2003 to increase access to healthcare and promote the retention of primary care physicians in medically underserved areas<sup>2</sup> (MUAs) of California. The program is counseled by an advisory committee of seven members, with two members appointed by the California Medical Association. Physicians and surgeons can receive up to \$105,000 in exchange for providing direct patient care in a MUA for a minimum of three years.

Since its inception, STLRP has received 1,228 applications. The program has awarded more than \$47 million and monitored the progress of 538 physicians providing direct patient care in 47 of California's 58 counties. Consistent with the intent of the program, 80 percent of the total recipients are certified in a primary care specialty.

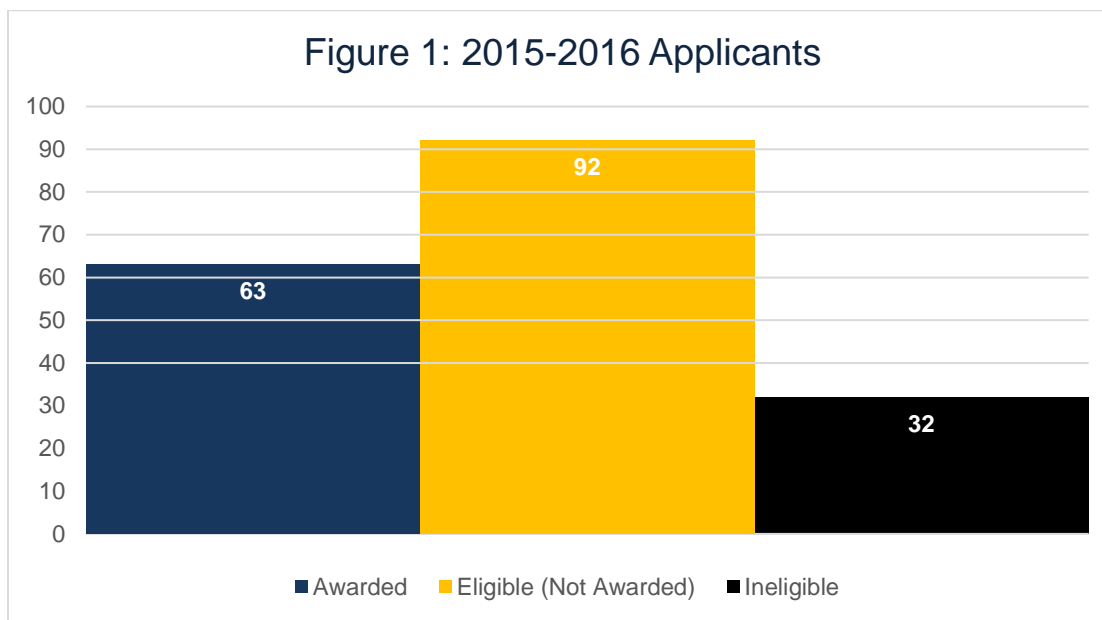
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<sup>1</sup> Of the total \$21.4 million TCE grant award, the first year's allocation was \$9.7 million; the second year was \$6.2 million; and the third year was \$5.5 million. TCE authorized any unspent funding to be redirected to a fourth and final year.

<sup>2</sup> "Medically underserved area" means an area defined as a health professional shortage area in Part 5 of Subchapter A of Chapter 1 of Title 42 of the Code of Federal Regulations or an area of the state where unmet priority needs for physicians exist as determined by the California Healthcare Workforce Policy Commission pursuant to Section 128225.

## Section 1: Participants

From July 1, 2015 to November 30, 2016, HPEF received 187 STLRP applications representing 31 counties and more than \$45 million of applicant educational debt. As displayed in Figure 1, 63 applicants were awarded, 92 were eligible but did not receive an award due to a regulatory limit on awarded applicants with outside specialties or limited funding, and 32 were ineligible due to practice setting or part-time employment.



STLRP applicants are awarded based on their practice setting, medical specialty, and ability to meet the cultural and linguistic needs of the patients they serve. All recipients must serve in a MUA where more than 50 percent of its patients are uninsured, Medi-Cal beneficiaries, or beneficiaries of another publicly funded program serving patients who earn less than 250 percent of the federal poverty level.

Applications are reviewed by the STLRP Selection Committee, which is statutorily required to have a minimum of three members, including a member appointed by the Medical Board of California. The Selection Committee must award at least 65 percent of available funds to primary care physicians who have completed a three-year postgraduate residency in the areas of family practice, internal medicine, pediatrics, or obstetrics and gynecology. Up to 15 percent of the total funds are dedicated to loan assistance for physicians and surgeons who practice in geriatric care settings, and up to 20 percent of funds may be awarded for other specialties.

Furthermore, priority consideration is given to the applicants best suited to meet the cultural and linguistic needs of patients, as determined by meeting one or more of the following criteria:

- Speaks a Medi-Cal threshold language.
- Comes from an economically disadvantaged background.
- Has significant training in culturally and linguistically appropriate service delivery.
- Has three years of experience working in a medically underserved area or with a medically underserved population.
- Has obtained a license to practice medicine in any state of the United States or Canada within the last 15 years.

Table 1 illustrates a listing of postgraduate training for the recipients.

**Table 1: Specialty Certifications Held by Recipients**

American Board of Medical Specialties Certifications	# of Recipients
Family Physician	20
Gerontologist	2
Internist	7
Obstetrician/Gynecologist	7
Pediatrician	25
Psychiatrist	1
Other: Emergency Medicine	1
<b>Total</b>	<b>63</b>

## Section 2: Practice Settings

The STLRP Selection Committee selects the most qualified applicants practicing in settings that meet program requirements. The Committee also considers if applicants work in the areas of California with the greatest need to ensure a geographic distribution of awards. Northern California, the Bay Area, the Central Valley, the Central Coast, Southern California, and the Inland Empire are the geographic regions represented within Appendix A and B, detailing the distribution of recipients by practice setting and county.

Out of the 63 recipients, 38 worked in a federally designated Health Professional Shortage Area (areas deficient in primary care, dental care, or mental health providers); 20 recipients worked in a Primary Care Shortage Area (areas with shortages of family physicians, nurse practitioners, and physicians assistants), as determined by the California Healthcare Workforce Policy Commission; 47 of the physicians came from an economically disadvantaged background; and 56 spoke at least one of the Medi-Cal threshold languages.

HPEF used TCE grant funding to award primary care physicians providing direct patient care in TCE Building Healthy Community counties, which included Alameda, Contra Costa, Fresno, Kern, Los Angeles, Merced, Monterey, Orange, Riverside, Sacramento, and San Diego. HPEF also funded physicians in four Central Valley counties: Madera, San Joaquin, Stanislaus, and Tulare.

## Section 3: Expenditures

Funds that support STLRP awards include an annual allocation from the Medical Board of California and the Osteopathic Medical Board of California through a \$25 licensure fee surcharge, an annual allocation of \$1 million from the Managed Care Administrative Fines and Penalties Fund, and a three-year \$21.4 million grant from TCE, which was received in 2013. For this report period, expenditures totaled \$1.4 million from licensure fees, \$855,000 from the

Managed Care Administrative Fines and Penalties Fund, and \$3.8 million from TCE. Spending from all sources for this report period amounted to \$6 million.

## **Section 4: Performance**

As of November 30, 2016, HPEF continues to monitor 285 active STLRP participants for compliance according to the program's statutory and regulatory guidelines. Of these participants, 115 contracts end in June 2017. Each recipient is contractually obligated to work full-time providing direct patient care for a minimum of three years in a MUA. Every six months, HPEF requests a signed statement from the recipient's employer or practice site to verify employment and eligibility for continued program participation and award payments.

Upon the completion of each year of service, HPEF issues a portion of the recipient's total award for the repayment of their educational debt. A payment of 24 percent of the total award is made upon completing one year, 33 percent upon completing two years, and 43 percent upon completing the third and final year.

At the completion of the recipient's service obligation, HPEF sends a post-program survey to evaluate the effectiveness of the program. Survey data is shared with the HPEF Board of Trustees and OSHPD to develop and improve future outreach, application, and award processes.

## Appendix A: Employment County, Practice Settings, Award Amounts, and Specialties

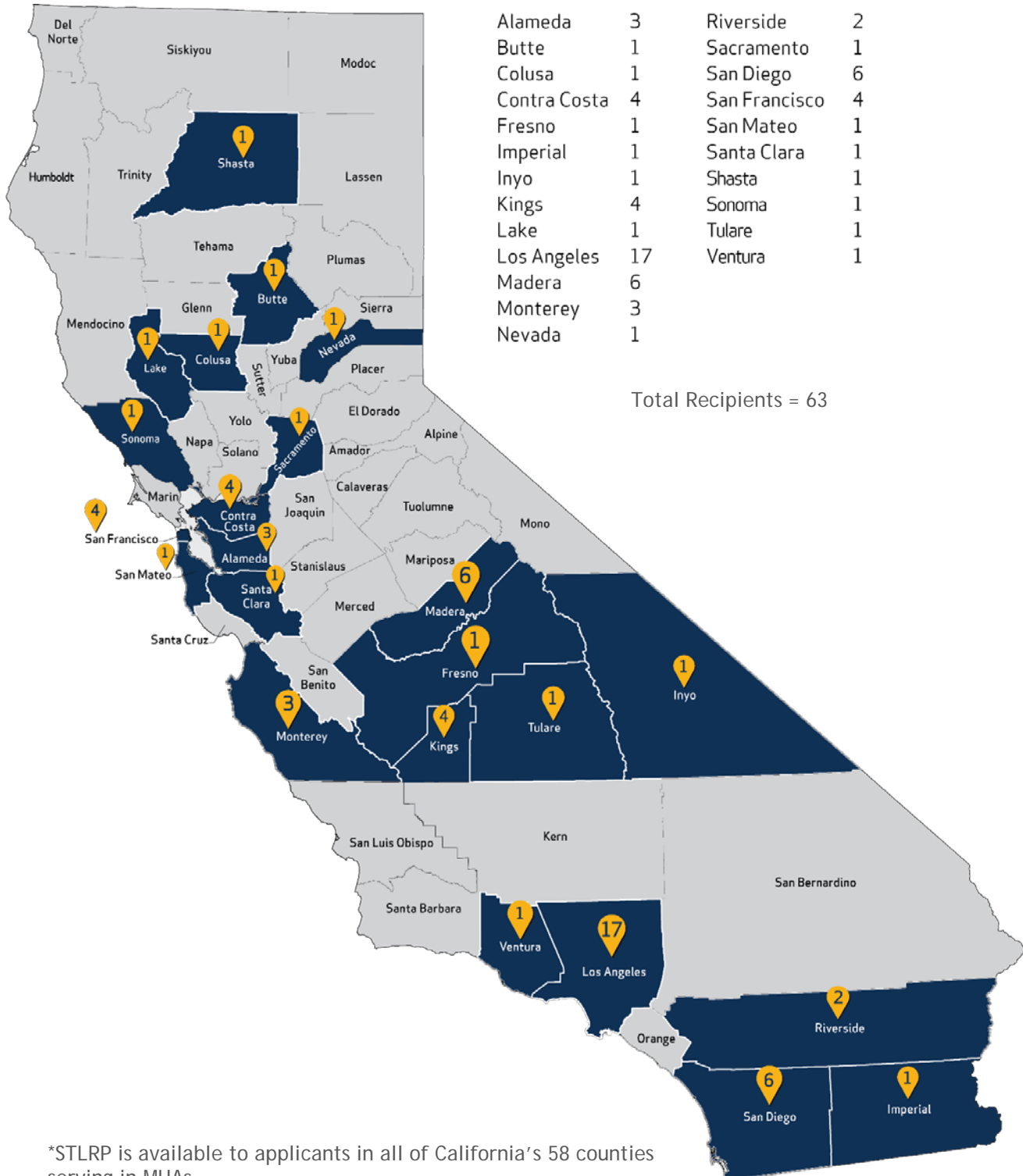
#	County	Practice Setting	Award Amount (\$)
<b>Family Practice</b>			
1	Butte	Northern Valley Indian Health	73,365.00
2	Colusa	Ampla Health	90,687.00
3	Contra Costa	Contra Costa County Health Services	24,218.00
4	Contra Costa	Lifelong Medical Care	105,000.00
5	Contra Costa	Contra Costa Health Services, Contra Costa Regional Medical Center	101,931.00
6	Fresno	Central California Faculty Medical Group	105,000.00
7	Kings	ARIA Community Health Center	52,113.00
8	Kings	United Health Centers	105,000.00
9	Los Angeles	St. Andrews Medical Center	101,931.00
10	Los Angeles	NECC Bell (Northeast Community Clinic)	86,206.00
11	Monterey	Taylor Farms Family Health & Wellness Center	105,000.00
12	Riverside	Borrego Community Health Foundation	105,000.00
13	Sacramento	Cares Community Health	105,000.00
14	San Diego	Family Health Centers of San Diego	105,000.00
15	San Diego	Family Health Centers of San Diego	105,000.00
16	San Diego	San Ysidro Health Centers, Paradise Hills Family Clinic	105,000.00
17	Shasta	Shasta Community Health Center	101,931.00
18	Sonoma	Santa Rosa Community Health Centers	101,931.00
19	Tulare	Sequoia Family Clinic	105,000.00
20	Ventura	Ventura County Medical Center	101,931.00
20 Family Practice Physicians awarded			\$ 1,886,244.00
<b>Gerontology</b>			
21	Los Angeles	Los Angeles County, Department of Health Services, Olive View-UCLA Medical Center	101,931.00
22	San Francisco	San Francisco General Hospital/University of California, San Francisco	101,931.00
2 Gerontology Physicians awarded			\$ 203,862.00
<b>Internal Medicine</b>			
23	Alameda	Alameda Health System	105,000.00
24	Alameda	LifeLong Medical Care	69,965.00
25	Imperial	pioneer memorial hospital	101,931.00
26	Kings	CEP America	105,000.00
27	Monterey	Natividad Medical Center	101,931.00
28	San Francisco	Tom Waddell Urban Health Clinic/San Francisco Department of Public	101,931.00
29	Santa Clara	Santa Clara Valley Medical Center	101,931.00
7 Internists awarded			\$ 687,689.00
<b>Obstetrics/Gynecology</b>			
30	Alameda	Oakcare Medical Group	105,000.00
31	Kings	Adventist Health Central Valley	90,823.00

32	Lake	Sutter Lakeside Community Clinic	79,966.00
33	San Diego	Borrego Community Health Foundation	105,000.00
34	San Diego	Family Health Centers of San Diego	105,000.00
35	San Francisco	North East Medical Services	101,931.00
36	San Mateo	Ravenswood Family Health Clinic (South County Community Health)	101,931.00
<b>Pediatrics</b>			
37	Contra Costa	Lifelong Jenkins Pediatric Center and Brookside San Pablo	105,000.00
38	Los Angeles	Northeast Valley Health Corporation	105,000.00
39	Los Angeles	Altamed at CHLA	51,130.00
40	Los Angeles	Los Angeles County + USC Medical Center	93,371.00
41	Los Angeles	AltaMed CHLA	105,000.00
42	Los Angeles	LAC+ USC Medical Center- MCA Clinic	101,931.00
43	Los Angeles	Altamed Children's Hospital Los Angeles	105,000.00
44	Los Angeles	Altamed	105,000.00
45	Los Angeles	Children's Hospital Los Angeles	105,000.00
46	Los Angeles	Altamed Children's Hospital Los Angeles	105,000.00
47	Los Angeles	Children's Hospital Los Angeles	101,931.00
48	Los Angeles	Altamed Children's Hospital Los Angeles	29,905.00
49	Los Angeles	Children's Hospital Los Angeles AltaMed	105,000.00
50	Los Angeles	East Valley Community Health Centers	105,000.00
51	Los Angeles	AltaMed General Pediatrics at Children's Hospital Los Angeles	105,000.00
52	Madera	Specialty Medical Group	105,000.00
53	Madera	Valley Children's Hospital	105,000.00
54	Madera	Valley Children's Specialty Medical Group	105,000.00
55	Madera	Valley Children's Primary Care Group	105,000.00
56	Madera	Emergency Medicine Physicians	105,000.00
57	Madera	Emergency Medicine Physicians	105,000.00
58	Monterey	Mee Memorial Hospital Greenfield Clinic	105,000.00
59	Nevada	Tahoe Forest Hospital	101,931.00
60	Riverside	Community Health Systems, Inc.	105,000.00
61	San Francisco	UCSF	28,620.00
25 Pediatrics awarded			\$ 2,398,819.00
<b>Psychiatry</b>			
62	San Diego	Family Health Centers of San Diego	61,945.00
1 Psychiatrist awarded			\$ 61,945.00
<b>Other</b>			
63	Inyo	Eastern Sierra Emergency Physicians/Northern Inyo Hospital	101,931.00
1 Other physician awarded			\$ 101,931.00
63 Total Physicians awarded			Total: \$ 6,030,141.00



## Appendix B: Map of Recipients by County of Employment

STLRP Recipients by County of Employment July 1, 2015 to November 30, 2016



\*STLRP is available to applicants in all of California's 58 counties serving in MUAs.

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