



# WORKFORCE FINANCIAL ASSISTANCE

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE  
STAFF: RUSSELL FRANSDEN

BUDGET BRIEF

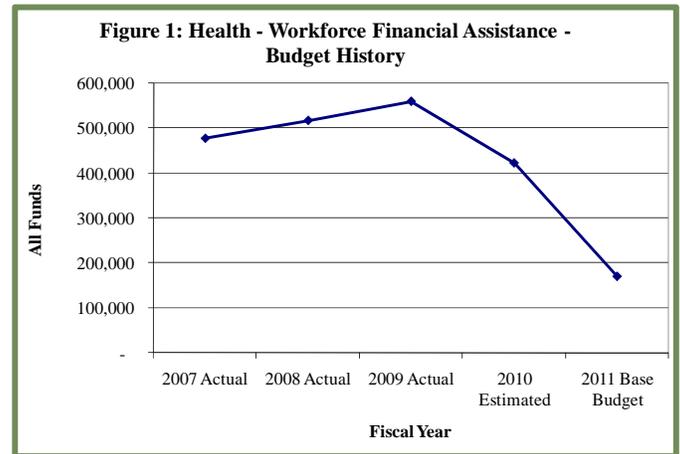
**SUMMARY**

The Legislature established the Utah Health Care Workforce Financial Assistance Program during the 2002 Legislative General Session by consolidating the Rural Physicians and Physician Assistants Grant and Scholarship Program, the Nurse Education Financial Assistance Program, and the Urban Special Population Health Care Provider Financial Assistance Program. The purpose of the combined Health Care Workforce Financial Assistance Program is to increase the number of: (1) health care professionals (physicians, physician assistants, nurses, dentists, mental health therapists, or other health care professionals) to provide primary health care services in medically underserved areas and (2) geriatric professionals (health care professionals, social worker, occupational therapist, pharmacist, physical therapist, or psychologist). This is done through educational loan repayment grants and scholarships in return for providing health care services for an obligated period of time. Funding for this program is designated as nonlapsing and is appropriated as a separate line item, in accordance with UCA 26-46-102(4).

For more detailed information please see the Compendium of Budget Information for the 2010 General Session at [http://le.utah.gov/lfa/reports/cobi2010/LI\\_LCA.htm](http://le.utah.gov/lfa/reports/cobi2010/LI_LCA.htm).

**ISSUES AND RECOMMENDATIONS**

The Analyst base budget recommendation is \$170,000. The budget has nonlapsing status by statute. Nonlapsing funding is used to cover contractual service obligations that extend through the end of 2011. These contractual service obligations assist health care professionals in paying their educational loans in exchange for providing primary health care services in a medically underserved area of Utah.



**ACCOUNTABILITY DETAIL**

The chart below shows the number of grants approved, classified by healthcare profession, for the past nine years. Also shown is the monetary impact of the awards. (Note: There is a delay in the approval of the awards and the payment for the educational benefits.) The goal is to maximize the number of individuals that can be recruited to provide primary care services in medically underserved areas of the state and strengthen Utah's health care network.

HEALTH CARE WORKFORCE FINANCIAL ASSISTANCE PROGRAM HISTORY									
Health Care Professional	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Dentist	1	1	0	1	1	2	3	2	2
Mental Health Therpaist	4	1	1	16	6	6	4	2	3
Nurse	23	14	0	19	10	14	12	11	16
Physician	11	10	3	13	10	3	5	11	3
Physician Assistant	3	0	1	2	0	0	6	1	3
Total Number of Grants	42	26	5	51	27	25	30	27	27
Funds	\$568,000	\$530,500	\$528,800	\$510,300	\$419,700	\$419,900	\$422,900	\$547,500	\$447,300

Of those individuals that have completed their service obligation, 83 percent have either remained in their original service areas or within the same county where their service obligation began. Placements have been

made in 26 of Utah's 29 counties, allowing those communities the opportunity for more comprehensive primary health care services. Over the course of its existence, the program has provided funding to secure the obligation of a total of 970 years of service. In 2009, 78 care professionals at 45 employment sites met the minimum eligibility criteria. Twenty-seven, or 35% of those qualified health care professionals could be given awards with existing resources.

**End of Ongoing State Funding**

Effective FY 2010 the program no longer receives ongoing State funding and no longer qualifies for the \$1 to \$1 match for up to \$270,000 federal funds. The Department estimates non-lapsing \$130,000 in FY 2011 for FY 2012, which may be the last year of this program. Beginning in FY 2010, The Department has no longer issued new award educational loan repayment grants to health care professionals. The Department indicates that there is not an option to change the grant program to a loan program in order to continue providing some kind of incentives.

**BUDGET DETAIL**

The budget listed in the table below details the budget allocations in the base budget bill.

Health - Workforce Financial Assistance						
	FY 2009	FY 2010		FY 2010		FY 2011*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	425,900	0	0	0	0	0
Federal Funds	107,200	0	100,000	100,000	(100,000)	0
Beginning Nonlapsing	649,700	350,000	272,800	622,800	(322,800)	300,000
Closing Nonlapsing	(622,800)	(350,000)	50,000	(300,000)	170,000	(130,000)
<b>Total</b>	<b>\$560,000</b>	<b>\$0</b>	<b>\$422,800</b>	<b>\$422,800</b>	<b>(\$252,800)</b>	<b>\$170,000</b>
<b>Programs</b>						
Workforce Financial Assistance	560,000	0	422,800	422,800	(252,800)	170,000
<b>Total</b>	<b>\$560,000</b>	<b>\$0</b>	<b>\$422,800</b>	<b>\$422,800</b>	<b>(\$252,800)</b>	<b>\$170,000</b>
<b>Categories of Expenditure</b>						
Personnel Services	15,000	0	20,600	20,600	0	20,600
In-state Travel	800	0	800	800	0	800
Current Expense	542,500	0	399,700	399,700	(252,800)	146,900
DP Current Expense	1,700	0	1,700	1,700	0	1,700
<b>Total</b>	<b>\$560,000</b>	<b>\$0</b>	<b>\$422,800</b>	<b>\$422,800</b>	<b>(\$252,800)</b>	<b>\$170,000</b>
<b>Other Data</b>						
Budgeted FTE	0.2	0.0	0.3	0.3	0.0	0.3

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

**LEGISLATIVE ACTION**

No additional changes have been requested by the Governor or recommended by the Analyst.

- The Analyst recommends that the Health and Human Services Appropriations Subcommittee approve a base budget for FY 2011 for Workforce Financial Assistance in the amount of \$170,000.