

Office of the  
Legislative Fiscal Analyst

## **FY 2002 Budget Recommendations**

Joint Appropriations Subcommittee for  
Health and Human Services

Utah Department of Health  
**Physicians and Physician Assistants Grant  
And Scholarship Program**

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**1.0 Department of Health-Physicians and Physician Assistants Grants and Scholarship Program**

**Summary**

The purpose of the Physicians and Physician Assistants Grant and Scholarship Program is to increase the number of physicians and physician assistants practicing in medically underserved rural areas through loan repayment grants and scholarships in return for an obligated period of professional services rendered in a rural area of the State.

Funding for this program is appropriated as a separate line item, in accordance with UCA 26-9-211.

|                                                              | <b>Analyst<br/>FY 2002<br/>Base</b> | <b>Analyst<br/>FY 2002<br/>Changes</b> | <b>Analyst<br/>FY 2002<br/>Total</b> |
|--------------------------------------------------------------|-------------------------------------|----------------------------------------|--------------------------------------|
| <b>Financing</b>                                             |                                     |                                        |                                      |
| General Fund                                                 | 295,100                             |                                        | 295,100                              |
| Beginning Nonlapsing                                         | 616,800                             |                                        | 616,800                              |
| Closing Nonlapsing                                           | (480,900)                           |                                        | (480,900)                            |
| <b>Total</b>                                                 | <b>\$431,000</b>                    | <b>\$0</b>                             | <b>\$431,000</b>                     |
| <b>Programs</b>                                              |                                     |                                        |                                      |
| Physician & Physician Assistants Grant & Scholarship Program | 431,000                             |                                        | 431,000                              |
| <b>Total</b>                                                 | <b>\$431,000</b>                    | <b>\$0</b>                             | <b>\$431,000</b>                     |
| <b>FTE/Other</b>                                             |                                     |                                        |                                      |
| Total FTE                                                    | 1                                   |                                        | 1                                    |

### 3.1 Physicians and Physician Assistants Grants and Scholarship Program

**Recommendation** The Analyst recommends a budget of \$431,000 for the Physicians and Physician Assistants Grant and Scholarship Program for FY 2002. The funding comes from the General Fund.

|                      | 2000             | 2001             | 2002             | Est/Analyst        |
|----------------------|------------------|------------------|------------------|--------------------|
|                      | Actual           | Estimated        | Analyst          | Difference         |
| <b>Financing</b>     |                  |                  |                  |                    |
| General Fund         | 310,000          | 295,600          | 295,100          | (500)              |
| Federal Funds        | 29,295           |                  |                  |                    |
| Beginning Nonlapsing | 729,942          | 872,100          | 616,800          | (255,300)          |
| Closing Nonlapsing   | (872,147)        | (616,800)        | (480,900)        | 135,900            |
| <b>Total</b>         | <u>\$197,090</u> | <u>\$550,900</u> | <u>\$431,000</u> | <u>(\$119,900)</u> |
| <b>Expenditures</b>  |                  |                  |                  |                    |
| Personal Services    | 27,800           | 24,700           | 24,200           | (500)              |
| In-State Travel      | 543              | 4,900            | 4,900            |                    |
| Current Expense      | 168,747          | 520,300          | 400,900          | (119,400)          |
| DP Current Expense   |                  | 1,000            | 1,000            |                    |
| <b>Total</b>         | <u>\$197,090</u> | <u>\$550,900</u> | <u>\$431,000</u> | <u>(\$119,900)</u> |
| <b>FTE/Other</b>     |                  |                  |                  |                    |
| Total FTE            | 1                | 1                | 1                |                    |

**Purpose**

The Physicians and Physicians Assistants Grant and Scholarship Program was created to assist medically underserved rural area of the State in the recruitment and retention of physicians and physician assistants. The program provides loan repayment grants in exchange for a minimum two-year service commitment in a medically underserved rural area of the State. The program is authorized to offer scholarships, but has not awarded any since FY 1997.

During FY 2000, the Physicians and Physician Assistants Grant and Scholarship Program received six physician applications and five physician assistant applications for grants. Of these, one physician and one physician assistant received an award. Each of the two awards was for \$48,800. The program obligated \$97,600 in grant funds and expended \$31,440 for program administration.

Thus far in FY 2001, an additional nine grants have been approved for physicians and two have been approved for physician assistants.

Since its inception in 1990, the Physicians and Physician Assistants Grant and Scholarship Program has grown considerably. The program has received \$3.5 million in General Funds, and has awarded 36 physician grants, 10 physician scholarships, 4 physician assistant grants, and 10 physician assistant scholarships.

Of those professionals who have completed their service obligation, 81 percent have either remained in their original service area or another rural site. Placements have been made in 18 underserved rural communities, allowing those communities the opportunities of more accessible medical help. The program has provided funding to secure the obligation of a total of 163 years of service.

| <b>PHYSICIANS AND PHYSICIAN ASSISTANTS GRANT AND SCHOLARSHIP PROGRAM</b> |                      |                       |                        |               |                     |
|--------------------------------------------------------------------------|----------------------|-----------------------|------------------------|---------------|---------------------|
| <u>Fiscal Year</u>                                                       | <u>Appropriation</u> | <u>Administrative</u> | <u>Funds Received</u>  | <u>Awards</u> |                     |
|                                                                          |                      | <u>Expense and</u>    | <u>From Defaulting</u> | <u>Grants</u> | <u>Scholarships</u> |
|                                                                          |                      | <u>Funds Awarded</u>  | <u>Contractors</u>     |               |                     |
| 1990-91                                                                  | 325,000              | 113,039               | 0                      | 4             | 0                   |
| 1991-92                                                                  | 310,000              | 155,595               | 0                      | 1             | 2                   |
| 1992-93                                                                  | 310,000              | 310,450               | 10,000                 | 7             | 2                   |
| 1993-94                                                                  | 310,000              | 538,354               | 0                      | 8             | 8                   |
| 1994-95                                                                  | 310,000              | 240,917               | 0                      | 3             | 3                   |
| 1995-96                                                                  | 310,000              | 485,071               | 0                      | 6             | 2                   |
| 1996-97                                                                  | 310,000              | 227,448               | 0                      | 2             | 3                   |
| 1997-98                                                                  | 310,000              | 265,706               | 53,800                 | 6             | 0                   |
| 1998-99                                                                  | 310,000              | 149,387               | 12,000                 | 4             | 0                   |
| 1999-2000                                                                | 310,000              | 239,307               | 62,960                 | 4             | 0                   |
| 2000-2001                                                                | 295,000              | 697,827               | 0                      | 11            | 0                   |
| <b>Total</b>                                                             | <b>3,410,000</b>     | <b>3,423,101</b>      | <b>138,760</b>         | <b>56</b>     | <b>20</b>           |

**4.0 Additional Information: Physicians and Physician Assistants Grant and Scholarship Program**

**4.1 Funding History**

|                                                              | <b>1998</b>   | <b>1999</b>      | <b>2000</b>      | <b>2001</b>      | <b>2002</b>      |
|--------------------------------------------------------------|---------------|------------------|------------------|------------------|------------------|
|                                                              | <b>Actual</b> | <b>Actual</b>    | <b>Actual</b>    | <b>Estimated</b> | <b>Analyst</b>   |
| <b>Financing</b>                                             |               |                  |                  |                  |                  |
| General Fund                                                 |               | 310,000          | 310,000          | 295,600          | 295,100          |
| Federal Funds                                                |               | 54,751           | 29,295           |                  |                  |
| Beginning Nonlapsing                                         |               | 725,328          | 729,942          | 872,100          | 616,800          |
| Closing Nonlapsing                                           |               | (855,294)        | (872,147)        | (616,800)        | (480,900)        |
| Lapsing Balance                                              |               | (7,557)          |                  |                  |                  |
| <b>Total</b>                                                 | <b>\$0</b>    | <b>\$227,228</b> | <b>\$197,090</b> | <b>\$550,900</b> | <b>\$431,000</b> |
| <b>Programs</b>                                              |               |                  |                  |                  |                  |
| Physician & Physician Assistants Grant & Scholarship Program |               | 227,228          | 197,090          | 550,900          | 431,000          |
| <b>Total</b>                                                 | <b>\$0</b>    | <b>\$227,228</b> | <b>\$197,090</b> | <b>\$550,900</b> | <b>\$431,000</b> |
| <b>Expenditures</b>                                          |               |                  |                  |                  |                  |
| Personal Services                                            |               | 22,971           | 27,800           | 24,700           | 24,200           |
| In-State Travel                                              |               | 318              | 543              | 4,900            | 4,900            |
| Current Expense                                              |               | 203,471          | 168,747          | 520,300          | 400,900          |
| DP Current Expense                                           |               | 468              |                  | 1,000            | 1,000            |
| <b>Total</b>                                                 | <b>\$0</b>    | <b>\$227,228</b> | <b>\$197,090</b> | <b>\$550,900</b> | <b>\$431,000</b> |
| <b>FTE/Other</b>                                             |               |                  |                  |                  |                  |
| Total FTE                                                    |               |                  | 1                | 1                | 1                |

**4.2 Federal Funds**

| <b>Program</b>                                                       |                             | <b>FY 2000<br/>Actual</b> | <b>FY 2001<br/>Estimated</b> | <b>FY 2002<br/>Analyst</b> |
|----------------------------------------------------------------------|-----------------------------|---------------------------|------------------------------|----------------------------|
| Physicians and Physician Assistants<br>Grant and Scholarship Program | Federal                     | \$29,295                  |                              |                            |
| PHS Local Federal Grant                                              | Required State Match        | 29,295                    |                              |                            |
|                                                                      | <b>Total</b>                | <b>58,590</b>             | <b>0</b>                     | <b>0</b>                   |
|                                                                      | <b>Federal</b>              | <b>29,295</b>             | <b>0</b>                     | <b>0</b>                   |
|                                                                      | <b>Required State Match</b> | <b>29,295</b>             | <b>0</b>                     | <b>0</b>                   |
|                                                                      | <b>Total</b>                | <b>\$58,590</b>           | <b>\$0</b>                   | <b>\$0</b>                 |