

## MEMORANDUM

**TO:** All Members of the House of Representatives

**FROM:** Representative John Hornaman

**DATE:** January, 12, 2011

**SUBJECT:** Co-sponsorship Memo – Physician Retention Loan Forgiveness Program

In the near future, I plan to introduce legislation establishing the Physician Retention Loan Forgiveness Program within the Pennsylvania Higher Education Assistance Agency (PHEAA). This program will improve access to health care in Pennsylvania by creating an incentive to encourage physicians to practice here in the Commonwealth.

The program is open to those full and part time physicians licensed to practice the following specialties: internal medicine, family medicine, pediatrics and obstetrics/gynecology. Selection will be based upon an applicant's demonstrated need and willingness to continue practicing medicine in Pennsylvania. They must enter into a contract with PHEAA. Contract provisions include a requirement to practice for a minimum of 10 years in a licensed health care facility located in Pennsylvania; acceptance of Medicare and Medicaid patients; and permitting PHEAA the ability to monitor compliance with the work requirement. Discrimination against patients who are unable to pay for services is prohibited. Eligible physicians agreeing to practice in medically underserved areas or primary care health professional shortage areas, as designated by the Pennsylvania Department of Health, will be given first preference.

Participating full time physicians will be able to receive up to 100% reimbursement of their loans at a rate of 10% per year for each year they practice in the Commonwealth. Reimbursements for part time physicians will be in amounts directly proportional to the number of hours worked of the total loan. Their repayment schedule for their years of service is as follows:

Years 1 -2: 5%.  
Years 3 – 9: 10%.  
Year 10: 20%.

It is important that we as legislators continue to look for ways to increase and improve access to health care for all residents of the Commonwealth. By instituting this program, we will be providing a financial incentive for individuals to practice medicine in our state, thereby

strengthening our health care system. If you would like to add your name as a co-sponsor to this legislation, please contact Carla Walker at [cwalker@pahouse.net](mailto:cwalker@pahouse.net) or 717-772-2297.