

The Montana Rural Physician Incentive Program (MRPIP) and the Connection to the WICHE and WWAMI Medical Education Programs

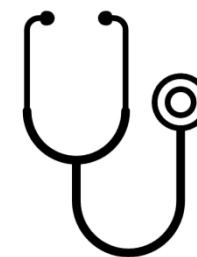
Montana University System
Office of the Commissioner of Higher Education

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Montana Rural Physician Incentive Program (MRPIP)

- Originally authorized by the 1991 Montana Legislature, amended in 1997, 2007, and 2017
- Established to encourage primary care physicians to practice in rural and medically underserved areas of Montana or serve underserved populations
- MRPIP trust facilitates the repayment of qualified medical education debts of participating physicians; the trust is funded by:
 - Annual fees assessed to all state-funded WWAMI and WICHE MD and DO students
 - Annual state general fund allocation
 - Investment earnings received on the account



Program Benefits/Obligations

- MRPIP provides for up to \$150,000 in medical education loan repayment
- Over one- to five-year periods of service in approved rural or underserved locations
- Graduated payments, based on length of service, are disbursed directly to verified lending institutions of the participating physician; amounts can be prorated for less than full-time practice
- Payments are not currently taxable to the physician



<i>Year in Program</i>	<i>Service Period</i>	<i>Repayment Amount</i>	<i>Service Period</i>	<i>Repayment Amount</i>	<i>Total</i>
1st Year	6 Months	\$10,000	12 Months	\$10,000	\$20,000
2nd Year	18 Months	\$12,500	24 Months	\$12,500	\$25,000
3rd Year	30 Months	\$15,000	36 Months	\$15,000	\$30,000
4th Year	42 Months	\$17,500	48 Months	\$17,500	\$35,000
5th Year	54 Months	\$20,000	60 Months	\$20,000	\$40,000
TOTAL					\$150,000

Characteristics of Qualifying Locations

- MRPIP is designed to help rural and medically underserved communities or areas serving medically underserved populations that have difficulty attracting and maintaining adequate numbers of physicians; most commonly, these areas are:
 - Communities with populations of fewer than 8,000
 - Hospitals with fewer than 50 beds
 - Communities demonstrating shortages of physicians serving specific populations
 - Federally Qualified Health Centers (FQHCs) and Community Health Centers (CHCs)
- Many of these areas have been designated as HPSA's, MUA's or MUP's
- Hospitals and other community organizations in these areas must document their inability to recruit and retain enough physicians as part of the application



Selection Process

- Applications are reviewed by an advisory committee appointed by the Commissioner of Higher Education
- Qualified applications are prioritized for participation based upon community needs and the availability of funds
- Preference is applied to:
 - MT WWAMI TRUST graduate physicians
 - MT WICHE and WWAMI graduate physicians who contributed to the MRPIP trust fund
 - Physicians who practice in remote rural locations or locations having difficulty attracting physicians
 - Primary care physicians
- MRPIP Advisory Committee nominations are submitted to the Montana Board of Regents for final approval

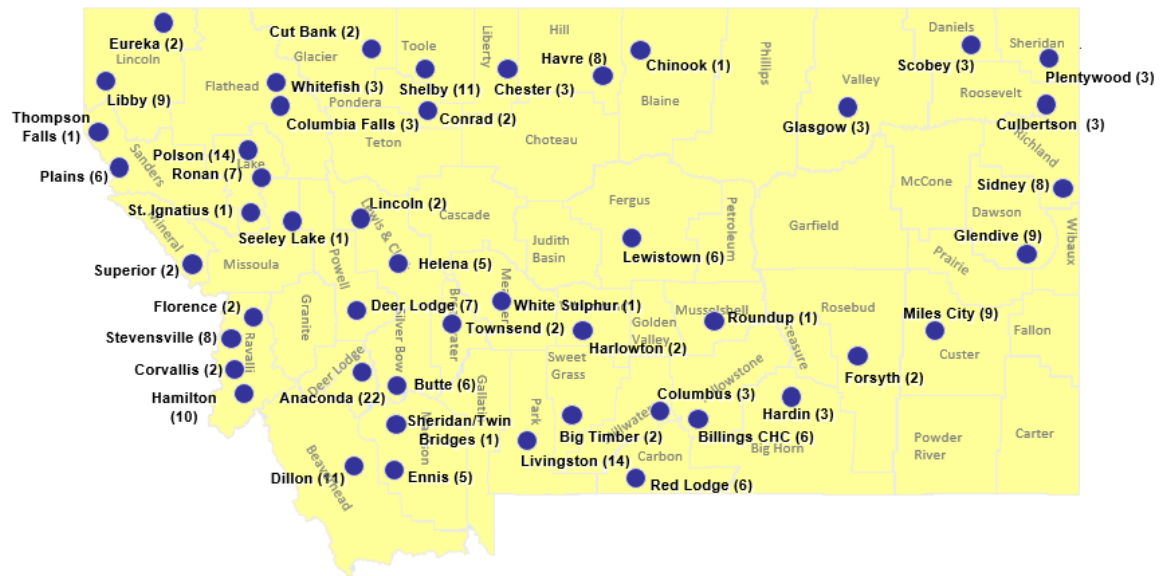


MT Communities Served by MRPIP

CITY/COUNTY	CITY/COUNTY	CITY/COUNTY	CITY/COUNTY	CITY/COUNTY
Anaconda/Deer Lodge (22)	Culbertson/Roosevelt (3)	Hamilton/Ravalli (10)	Plains/Sanders (8)	Sidney/Richland (8)
Big Timber/Sweet Grass (2)	Cut Bank/Glacier (2)	Hardin/Big Horn (3)	Plentywood/Sheridan (3)	St. Ignatius/Lake (1)
Billings CHC/Yellowstone (8)	Deer Lodge/Powell (7)	Harlowton/Wheatland (2)	Polson/Lake (14)	Stevensville/Ravalli (8)
Butte/Silver Bow (8)	Dillon/Beaverhead (11)	Havre/Hill (8)	Red Lodge/Carbon (8)	Superior/Mineral (2)
Chester/Liberty (3)	Ennis/Madison (5)	Helena/Lewis & Clark (5)	Ronan/Lake (7)	Thompson Falls/Sanders (1)
Chinook/Blaine (1)	Eureka/Lincoln (2)	Lewistown/Fergus (8)	Roundup/Musselshell (1)	Townsend/Broadwater (2)
Columbia Falls/Flathead (3)	Florence/Ravalli (2)	Libby/Lincoln (9)	Scobey/Daniels (3)	White Sulphur/Meagher (1)
Columbus/Stillwater (3)	Forsyth/Rosebud (2)	Lincoln/Lewis & Clark (2)	Seeley Lake/Lake (1)	Whitefish/Flathead (3)
Conrad/Pondera (2)	Glasgow/Valley (3)	Livingston/Park (14)	Shelby/Toole (11)	
Corvallis/Ravalli (2)	Glendive/Dawson (9)	Miles City/Custer (9)	Sheridan/Twin Bridges/Madison (1)	

The numbers following the city/county names represent the total number of MRPIP physicians who have practiced in that location. Some MRPIP physicians have practiced in more than one location.

Montana Communities Served by MRPIP (Past 30 Years)



➤ The numbers on the map represent the number of MRPIP physicians that have practiced in each MT community in total, 1993-2022.

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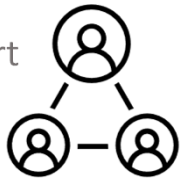
MRPIP Program Facts

- MRPIP has been in place for 30 years (loan repayment began in 1993)
- Over 220 doctors and 49 Montana communities have benefited from MRPIP
- Currently, there are 43 doctors approved for MRPIP loan repayment
- MRPIP financial incentives serve as a vital recruitment tool for MT's rural and medically underserved communities
- 74% of all MRPIP participants have remained in the state to practice since the inception of the program (over 30 years)
- 80% are licensed to practice in MT
- The average medical education loan debt of MRPIP physicians is \$200,000-\$300,000; some applicants have had debt as high as \$630,000



How is MRPIP Tied to WICHE, WWAMI and ICOM?


- Annual fees assessed to all state-funded WICHE, WWAMI, and ICOM MD and DO students
 - All WICHE, WWAMI, and ICOM state-supported MD and DO students are required to pay an annual MRPIP fee assessment each year of their medical program as a condition of receiving the state support (total of 4 years).
 - The fee is mandated by state law and is in addition to all other medical school expenses; the fee is collected November 1st of each year and is paid directly to OCHE, where it is deposited into the MRPIP state special revenue account. This fund provides the funding for the MRPIP loan repayment program for rural physicians.
 - The fee amount is calculated at 16% of the annual WICHE support fee rate, the fee increases each year as support fee rates increase.
 - WICHE students pay the annual MRPIP fee based on standard 16% rate; WWAMI and ICOM students pay MRPIP fee based upon the rate associated with their WWAMI and ICOM contract decision.



WWAMI and ICOM Contracts

- Return to Practice Agreement:

- Pay MRPIP fee at the standard rate (16% WICHE fee) for 4 years
- Return to practice medicine full-time within 1 year of completing professional medical training; practice for a minimum of 3 consecutive years
- Residency in a family medicine residency program in MT = credit toward practice requirement; each year of residency counts as one-third year practice credit
- Failure to meet the return to practice condition triggers the conversion of the state support paid on the student's behalf during medical school to be converted into a loan to be repaid with interest (approximately \$167,000 in total for WWAMI, \$100,000 for ICOM)
 - Repayment of the state loan will commence 1 year from the student's completion of professional medical training;
 - The loan will have a fixed interest rate equal to the federal Stafford loan rate at the time of conversion, not to exceed 8%, and must be repaid in 10 years

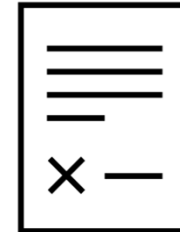


Return to Practice Example – current standard MRPIP fee rate is \$5,468/yr. WWAMI \$3,920/yr. ICOM; a student committing to return to practice will pay MRPIP fees of approximately \$21,872 in total over the 4 years of medical school for WWAMI and \$15,680 for ICOM (based on current rates). If a student fails to return within 1 year of completing training, the state support paid on behalf of the student of approx. \$167,000 converts to a loan to be repaid with interest over 10 years.

Approximate potential contract cost: \$21,872 - \$188,000+ WWAMI; \$15,680 - \$115,680+ ICOM* *Includes annual MRPIP fees and potential loan liability for failure to return to practice.

WWAMI Contracts

- Decline to Return to Practice Immediately Agreement:
 - Pay MRPIP fee at the higher rate (2.5 times the standard rate) for 4 years



Decline to Return to Practice Example – the current standard MRPIP fee is \$5,468/WWAMI, \$3,920/ICOM per year; calculated at 2.5 times the standard rate, a student who signs a contract not to commit to return to practice will pay annual MRPIP fees of approximately \$13,670/WWAMI, \$9,800/ICOM for a total of approximately \$54,680/WWAMI and \$39,200/ICOM over the 4 years of medical school (based on current rates).

Approximate Potential Contract Cost: \$54,680/WWAMI and \$39,200/ICOM

Questions

