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)

- 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 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

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

<table>
<thead>
<tr>
<th>CITY/COUNTY</th>
<th>CITY/COUNTY</th>
<th>CITY/COUNTY</th>
<th>CITY/COUNTY</th>
<th>CITY/COUNTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anaconda/Deer Lodge (22)</td>
<td>Culbertson/Roosevelt (3)</td>
<td>Hamilton/Ravalli (10)</td>
<td>Plains/Sanders (6)</td>
<td>Sidney/Richland (8)</td>
</tr>
<tr>
<td>Big Timber/Sweet Grass (2)</td>
<td>Cut Bank/Glacier (2)</td>
<td>Hardin/Big Horn (3)</td>
<td>Plentywood/Sheridan (3)</td>
<td>St. Ignatius/Lake (1)</td>
</tr>
<tr>
<td>Billings CHC/Yellowstone (4)</td>
<td>Deer Lodge/Powell (7)</td>
<td>Harlowton/Wheatland (2)</td>
<td>Polson/Lake (13)</td>
<td>Stevensville/Ravalli (8)</td>
</tr>
<tr>
<td>Butte/Silver Bow (4)</td>
<td>Dillon/Beaverhead (10)</td>
<td>Havre/Hill (8)</td>
<td>Red Lodge/Carbon (6)</td>
<td>Superior/Mineral (2)</td>
</tr>
<tr>
<td>Chester/Liberty (3)</td>
<td>Ennis/Madison (5)</td>
<td>Helena (3)</td>
<td>Ronan/Lake (6)</td>
<td>Thompson Falls/Sanders (1)</td>
</tr>
<tr>
<td>Chinook/Blaine (1)</td>
<td>Eureka/Lincoln (2)</td>
<td>Lewistown/Fergus (6)</td>
<td>Roundup/Musselshell (1)</td>
<td>Townsend/Broadwater (2)</td>
</tr>
<tr>
<td>Columbia Falls/Flathead (3)</td>
<td>Florence/Ravalli (2)</td>
<td>Libby/Lincoln (8)</td>
<td>Scobey/Daniels (3)</td>
<td>White Sulphur/Meagher (1)</td>
</tr>
<tr>
<td>Columbus/Stillwater (3)</td>
<td>Forsyth/Rosebud (2)</td>
<td>Lincoln/Lewis &amp; Clark (2)</td>
<td>Seeley Lake/Lake (1)</td>
<td>Whitefish/Flathead (3)</td>
</tr>
<tr>
<td>Conrad/Pondera (2)</td>
<td>Glasgow/Valley (3)</td>
<td>Livingston/Park (14)</td>
<td>Shelby/Toole (11)</td>
<td></td>
</tr>
<tr>
<td>Corvallis/Ravalli (2)</td>
<td>Glendive/Dawson (8)</td>
<td>Miles City/Custer (7)</td>
<td>Sheridan/Twin Bridges/Madison (1)</td>
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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.
MRPIP Program Facts

• MRPIP has been in place for 29 years (loan repayment began in 1993)

• Over 207 doctors and 49 Montana communities have benefited from MRPIP

• Currently, there are 51 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 29 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 Does MRPIP Connect With WICHE and WWAMI?

- Annual fees assessed to all state-funded WWAMI and WICHE MD and DO students

  - All WICHE and WWAMI state-supported medical, and osteopathic medical 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 and separate from all other medical school expenses; the fee is collected by November 1st of each year and is paid directly to OCHE, where it is deposited into the MRPIP state special revenue account, which provides the funding for the MRPIP loan repayment program for rural physicians
    - Payment of these fees to support the MRPIP program by the MT medical/osteopathic medical students, which serves as the primary funding source for the MRPIP program, is the reason why these students receive preference in selection for the MRPIP program

  - The fee amount is calculated at 16% of the annual WICHE support fee rate, which increases each year as support fee rates increase

  - WICHE students pay the annual MRPIP fee based on the standard 16% rate; WWAMI students pay the MRPIP fee based upon rate associated with their WWAMI contract decision
MT Medical and Osteopathic Medical Program Contracts

Prior to enrollment in the either the WWAMI or ICOM medical and osteopathic medical programs, MT students must choose 1 of 2 contract options as a condition of their program participation:

• Return to Practice Agreement

• Decline to Return to Practice Immediately Agreement:
Return to Practice Agreement

Contractual commitment to return to the state of Montana and enter full-time professional medical practice for a minimum of 3 years within 1 year of completing professional medical training; this contract includes the following conditions:

- An obligation to pay the annual MRPIP fee established under state law at the standard rate throughout medical school (total of 4 years).
  - Example – the current standard medical MRPIP fee is $5,468/year; a WWAMI student committing to return to practice will pay approximately $21,872 total over 4 years in MRPIP fees (based on current rates).
  - The current standard osteopathic MRPIP fee is $3,920/year; an ICOM student committing to return to practice will pay approximately $15,680 total over 4 years in MRPIP fees (based on current rates).

- An obligation to return to Montana and commence full-time professional medical practice within 1 year of completing professional medical training and to practice medicine full-time for a minimum of 3 years.
  - Residency in a family medicine residency program in Montana may be credited toward the practice requirement at a rate of one-third year for each year of service in the residency program.
Return to Practice Agreement Continued

- Failure to meet the return to practice conditions triggers the conversion of the state support paid on a student’s behalf during their participation these programs into a loan to be repaid to the state with interest (approximately $165,000 in total for WWAMI students and approximately $98,000 in total for ICOM students).
  - Repayment of the state support loan commences 1 year from the student’s completion of professional medical training. Loans will have a fixed interest rate equal to the federal Stafford loan rate at the time of conversion, not to exceed 8%. Loans must be repaid within 10 years.

  Approximate contract cost for Medical Student: $21,872 - $189,000+
  Approximate contract cost for Osteopathic Student: $15,680 - $113,680+

*Includes current MRPIP fee rates and potential loan liability for failure to return to practice, does not include potential interest.
Decline to Return to Practice Immediately Agreement

Contractual decision to not commit to return to the state of Montana right away and enter professional medical practice within 1 year of completing professional medical training; this contract includes the following conditions:

- An obligation to pay the annual MRPIP fee established in state law at 2.5 times the standard rate throughout medical school (total of 4 years).
  - Example – the current standard MRPIP fee is $5,468/year; calculated at 2.5 times the standard rate, a WWAMI student who decides not to commit to return to practice will pay approximately $13,670/year or a total of $54,680 over 4 years in MRPIP fees (based on current rates).
  - The current standard osteopathic MRPIP fee is $3,920/year; calculated at 2.5 times the standard rate, an ICOM student who decides not to commit to return to practice will pay approximately $9,800/year or a total of $39,200 over 4 years in MRPIP fees (based on current rates).

Approximate contract cost for Medical Student: $54,680*
Approximate contract cost for Osteopathic Student: $39,200*

*Based on current MRPIP fee rates.
Questions?
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Student Assistance and Loan Repayment Programs
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