

HOUSE BILL REPORT

2SHB 1668

As Passed House:
March 5, 2019

Title: An act relating to creating the Washington health corps to support health care professionals who provide service in underserved communities.

Brief Description: Creating the Washington health corps to support health care professionals who provide service in underserved communities.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Slatter, Jinkins, DeBolt, Macri, Frame, Robinson, Tharinger, Bergquist, Senn, Cody, Pollet, Young, Davis, Kloba, Ortiz-Self, Lekanoff, Steele, Harris, Ormsby, Stanford, Goodman, Doglio, Fey, Leavitt, Valdez and Hudgins).

Brief History:

Committee Activity:

College & Workforce Development: 2/5/19, 2/20/19 [DPS];
Appropriations: 2/28/19 [DP2S(w/o sub CWD)].

Floor Activity:

Passed House: 3/5/19, 97-1.

Brief Summary of Second Substitute Bill

- Establishes the Washington Health Corps to encourage health care professionals to work in underserved areas by providing student loan repayment.
- Establishes the Behavioral Health Loan Repayment Program to provide student loan repayment to health care professionals who serve in underserved behavioral health areas.
- Requires the Washington Student Achievement Council, in consultation with the Department of Health, to study the need, feasibility, and design of a grant program for behavioral health students completing unpaid internships and supervised hours for licensure.

HOUSE COMMITTEE ON COLLEGE & WORKFORCE DEVELOPMENT

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Hansen, Chair; Leavitt, Vice Chair; Van Werven, Ranking Minority Member; Gildon, Assistant Ranking Minority Member; Graham, Assistant Ranking Minority Member; Bergquist, Mead, Paul, Pollet, Ramos, Rude, Sells, Slatter, Sutherland and Young.

Minority Report: Without recommendation. Signed by 1 member: Representative Kraft.

Staff: Megan Mulvihill (786-7304).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on College & Workforce Development. Signed by 31 members: Representatives Ormsby, Chair; Bergquist, 2nd Vice Chair; Robinson, 1st Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Cody, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Jinkins, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Stanford, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

Minority Report: Do not pass. Signed by 1 member: Representative Kraft.

Staff: Zane Potter (786-7349).

Background:

Health Professional Loan Repayment Program.

The Health Professional Loan Repayment Program (HPLRP) provides licensed health care professionals with student loan repayment if the professional agrees to serve in a rural or underserved urban area with a designated shortage. The HPLRP provides up to \$75,000 in loan repayment for a minimum three-year service obligation. The participants need to work a minimum of a 24-hour work week, and if the participants default on their service obligation, the penalty is double the amount received by the participant plus interest.

The 2019 eligible health care professionals include Doctors of Medicine, Doctors of Osteopathic Medicine, Naturopathic Doctors, Doctors of Dental Surgery, Doctors of Medicine in Dentistry, Registered Dental Hygienists, Nurse Practitioners, Registered Nurses, Licensed Practical Nurses, Certified Nurse Midwives, Licensed Midwives, Pharmacists, Licensed Clinical Psychologists, Licensed Independent Clinical Social Workers, Licensed Marriage and Family Therapists, and Licensed Mental Health Counselors.

Federal-State Loan Repayment Program.

The Federal-State Loan Repayment Program (FSLRP) also provides student loan repayment awards to health care professionals who agree to serve at not-for-profit providers who have implemented sliding fee schedules and are located in federal Health Professional Shortage Areas. The FSLRP is funded with federal dollars and state-match dollars. The FSLRP provides up to \$70,000 in loan repayment for a minimum two-year service obligation, with a

minimum 40 hour work week. If a participant fails to complete the service obligation, the penalty is the number of months not served multiplied by \$7,500 per month, plus interest. The FSLRP includes the same eligible health professionals as the HPLRP, minus Naturopathic Doctors, Licensed Practical Nurses, and Licensed Midwives.

Selection Process.

The Washington Student Achievement Council (WSAC) administers the HPLRP in collaboration with the Department of Health (DOH). A planning committee consisting of the WSAC, the DOH, and a variety of health care representatives determines the eligible provider sites and eligible health care professions for each award cycle. First, the planning committee determines eligible sites by considering a variety of factors, weighting each factor by significance, and then scoring each site. Second, the planning committee determines which health care professions are in shortage and decides how much funding to allocate to each profession based on requests from eligible sites.

Health care professionals who apply for loan repayment complete a single application, and the WSAC determines awards for both the HPLRP and the FSLRP simultaneously. During the 2018 award cycle, there were 392 applicants total. Of those applicants, 81 health care professionals received a HPLRP award and an additional 17 received an award through the FSLRP.

Summary of Second Substitute Bill:

Washington Health Corps.

The Washington Health Corps is established to encourage health care professionals to work in underserved communities by providing loan repayment. The Washington Health Corps consists of the HPLRP and a new Behavioral Health Loan Repayment Program (BHLRP).

Behavioral Health Loan Repayment Program.

The BHLRP provides loan repayment for credentialed health care professionals who serve in underserved behavioral health areas. "Underserved behavioral health area" is defined as a geographic area, population, or facility that has a shortage of health care professionals providing behavioral health services, as determined by the DOH.

The BHLRP is administered by the WSAC using the same administrative structure and selection process as the HPLRP. The DOH, in consultation with the WSAC and the Department of Social and Health Services, must determine: (1) which credentialed health care professionals qualify for the BHLRP; and (2) the underserved behavioral health areas for each of the eligible credentialed health care professions. Representatives from the institutions of higher education and the behavioral health and public health fields are added to the planning committee which develops criteria for the selection of participants for both loan repayment programs.

The WSAC has the same responsibilities for the BHLRP as the HPLRP, such as establishing the annual award amounts and the required service obligation. In addition, the WSAC is responsible for collecting payments from those participants who fail to complete their service obligation. For participants who do not complete the service obligation for either loan repayment program, the penalty is either an amount equal to the unsatisfied portion of the

service obligation or the total amount paid by the program on the participant's behalf, whichever is less.

The BHLRP account is created in the custody of the State Treasurer.

Grant Program Study.

The WSAC, in consultation with the DOH, must study the need, feasibility, and potential design of a grant program for behavioral health students completing unpaid pre-graduation internships and post-graduation supervised hours for licensure. The study must review potential demand for such a program, what students would be eligible, if grants should be need or merit-based, the types of internships and supervised hours for licensure that would qualify, grant amounts, and whether the program should have a service component. A report on the study is due to the Legislature by December 1, 2019.

Appropriation: None.

Fiscal Note: Requested on February 22, 2019.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony (College & Workforce Development):

(In support) There has been much discussion about how to encourage health care professionals to participate in supporting behavioral health in underserved areas. All health care should be interdisciplinary and all health care professionals should know something about behavioral health. The HPLRP is dependent on site and workforce, and loan repayment is used to infuse workers into a particular work space. This is different from the current program because it serves integrated systems. House Bill 1668 adds an additional program for behavioral health for any health care professional. By paying health care professionals' student debt perhaps they will remain in that practice longer. It is called the "Washington Health Corps" because there could be future workforce shortages that this could be used for.

House Bill 1668 builds on the existing infrastructure and makes it better. It will help bring more health professionals into the pipeline and ensure they practice where the need is highest. This is a holistic approach, and it is flexible for today's needs and future needs. The current program is limited by basing shortages on rural health care, and behavioral health does not want to compete with those needs which are different. The loan repayment benefit of this program would need to be equal to the HPLRP so the two are not competing with each other. Right now the programs have different penalties, and those penalties can discourage retention and even participation. This bill addresses those concerns and harmonizes the penalty provisions for both programs. In addition, the bill creates a new account so the state is not taking dollars from one program for the other.

There is support for the study to address a potential grant program. This might be the most important part as it looks at how to cover the additional costs for licensure. It takes 4,000 hours of experience for clinical social workers to be licensed, of which 130 hours are directly

supervised and the social worker has to pay for the supervisor. Finding a way for the state to pick up some of those costs will go a long way.

There is support for this approach, but the definition of underserved behavioral health area could be refined. There is a lot of data available, and it would be helpful to include a few more metrics for the DOH to consider.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) This bill would add a program that is specific to behavioral health care professionals. The bill would defray the costs that are required for licensure which is a significant deterrent to achieving a clinical license. There is a looming shortage of behavioral health providers. It is important to dedicate a stream of funding to improve the behavioral health system. Funding for this program would help recruit behavioral health professionals. This bill deserves the support of the Legislature.

(Opposed) None.

Persons Testifying (College & Workforce Development): Representative Slatter, prime sponsor; Lindsey Grad, Service Employees International Union Healthcare 1199 Northwest; Bob Cooper, National Association of Social Workers; Marc Webster, Washington Student Achievement Council; Kate White Tudor, Washington Association for Community Health; and Abby Moore, Washington Council for Behavioral Health.

Persons Testifying (Appropriations): Bob Cooper, National Association of Social Workers Washington Chapter; and Kate White Tudor, Washington Association for Community Health.

Persons Signed In To Testify But Not Testifying (College & Workforce Development): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.