

Provider Recruitment and Retention
using the
Michigan State
Loan Repayment Program

Michigan Rural Health Conference
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Presented by Ken Miller
Michigan Department of Community Health

Overview of Loan Repayment Programs
Available for
Recruitment and Retention

- National Health Service Corps (**NHSC**)
- Michigan State Loan Repayment Program (**MSLRP**)

- **Designed to Increase Health Providers in HPSAs**
- **Provides Loan Repayment Incentives to Providers**
- **Assists Employers in Recruitment & Retention Efforts**


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Providers Encouraged to
Apply for Both Programs

- Providers can apply for both the NHSC and MSLRP at the same time.
- Providers cannot participate in both programs at the same time.
- MSLRP is especially advantageous for providers in HPSAs with low HPSA Scores
 - **NHSC awards contracts to providers in HPSA with highest scores**
 - **MSLRP doesn't consider HPSA score**
- Consecutive Participation Allowed
 - **Best to participate in NHSC first, then in MSLRP**
 - **One-day contract overlap**

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NHSC vs. MSLRP

- For both NHSC & MSLRP Practice Sites:
 - Located in a HPSA
 - Full-Time (40 hours per week)
 - Providing Direct Primary Care
- For NHSC:
 - High HPSA Score
 - Not for Profit and For-Profit Organizations
- For MSLRP:
 - MSLRP Selection Criteria (Jan-May Annual Application Period)
 - First-Come, First-Served Application Period (Regardless of Priority Status)
 - Public or Private Not-for-Profit Organizations


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MSLRP Objective

- Provide Loan Repayment Assistance to:
 - **Medical,**
 - **Dental &**
 - **Mental Health Care Professionals,** Committed to Providing:
 - Full-Time (40/32 hours per week)
 - Primary Health Care Services
 - At a Not-For Profit Clinic
 - In a Michigan Health Professional Shortage Area (HPSA)
 - For 2 to 4 Years.

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Eligible MSLRP Provider Types Primary Providers (\$25,000 per Year)

- Dentists: DDS or DMD
- Physicians: MD/DO
 - Family Practice, Internal Medicine, OB/GYN, Pediatrics
- Psychiatrists
- Clinical or Counseling Psychologists (Ph.D)
- Licensed Professional Counselors (Ph.D.)
- Marriage and Family Therapists (Ph.D.)

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Eligible MSLRP Provider Types
Mid-Level Providers (\$15,000-\$25,000 per Year)

- Physician Assistants (Primary Care)
- Nurse Practitioners (Primary Care)
- Certified Nurse Midwives
- Clinical Social Workers (Masters)
- Licensed Professional Counselors (Masters)
- Marriage & Family Therapists (Masters)
- Mental Health Counselors (Masters)
- Psychiatric Nurse Specialists (Masters)


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Two Application Periods

<u>FY09 First-Come, First-Served:</u>	<u>FY10 Jan-May 2009 Annual:</u>
• Open Oct 20, 2008 <ul style="list-style-type: none">– Open While Funds Remain	• Open Jan-May 2009
• First-Come, First-Served: <ul style="list-style-type: none">– Regardless of Priority	• Competitive Process <ul style="list-style-type: none">– Selection Criteria & Process
• Sign-On Bonus LRCs <ul style="list-style-type: none">– 50%ER / 50%Federal	• Competitive Contracts <ul style="list-style-type: none">– 20%ER / 40%State / 40%Fed
• Provider Retention LRCs <ul style="list-style-type: none">– 50%ER / 50%Federal	• Local Match Contracts <ul style="list-style-type: none">– 50%ER / 50%Federal
• Expedited Process	• Long Process
• Contracts Start Shortly After Employment	• Contracts Start 10/1/09

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FY09 First-Come, First-Served Application Period
Sign-On Bonus Loan Repayment Contract*
Powerful Recruitment Tool

- **Which Would You Prefer?**
 - Up to \$50,000 Taxable Sign-On Bonus, or
 - Double that Amount, up to \$100,000 in Tax-Free Loan Repayment? (four-year contract)
- **MSLRP Specialist assists during Application Process**
- **Employer & Provider Receive Expedited**
 - Application Review,
 - Eligibility Determination, and
 - Contract Execution
- **Contract Customized to Meet Specific Needs**
 - Flexible Contract Terms

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FY09 First-Come, First-Served Application Period
Sign-On Bonus Loan Repayment Contract*
Powerful Recruitment Tool

Contract Terms Customized to Specific Needs:

- **Contract Start Dates:**
 - As Soon as the 1st of the Month, following Eligibility Determination and Employment
- **Loan Repayment Amounts:**
 - Up to \$25,000 per Year
 - Including Mid-Level Providers.
- **Contract Lengths:**
 - Minimum of 2 Years
 - Maximum of 4 Years
- **Payment Schedules:**
 - Six-Month Installments: To help Conserve Cash Flow
 - Full Contract Amount Up-Front: To help in Competitive Situations

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FY09 First-Come, First-Served Application Period
Provider Retention Loan Repayment Contract
Powerful Retention Tool

- **Same Benefits and Features as the Sign-On Bonus Loan Repayment Contract, but**
- **Used for Retention, instead of Recruitment**
- *** Please Note:**
 - Federal requirements do not allow MSLRP contracts to be used as a **salary offset**.
 - Salaries for health professionals participating in the MSLRP must be based on prevailing rates in your area.

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Two Application Periods

FY09 First-Come, First-Served: **FY10 Jan- May 2009 Annual:**

- Open While Funds Remain
- First-Come, First-Served:
 - Regardless of Priority
- Sign-On Bonus LRCs
 - 50% ER/50% Federal
- Provider Retention LRCs
 - 50% ER/50% Federal
- Expedited Process
- Contracts Start Shortly After Employment

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Two Application Periods

FY09 First-Come, First-Served: **FY10 Jan-May 2009 Annual:**

- Open Jan-May 2009
- Competitive Process
 - Selection Criteria & Process
- Competitive Contracts
 - 20%ER / 40%State / 40% Fed
- Local Match Contracts
 - 50%ER / 50%Federal
- Long Process
- Contracts Start 10/1/09


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FY10 Jan-May 2009 Annual Application Period

- Competitive Process
 - Contracts use Funds Expected in Late August 2009 for FY10
 - FY10 Starts 10/1/09
- Selection Criteria
- Competitive Contracts (20%ER / 40%State / 40%Federally-Funded)
- Local Match Contracts (50%ER / 50%Federally- Funded)
- Long Process:
 - Contracts Verbally Awarded July/August
 - Contracts Start 10/1/09
 - First Six-Month Payment in April/May 2010

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FY10 Jan-May 2009 Application Period
MSLRP Selection Criteria and Process Terms

- Priority Providers
- Priority Practice Sites
- Double Priority Status
- Single Priority Status
- Non-Priority Status
- Lottery Numbers
- Waiting Lists


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FY10 Jan-May 2009 Application Period
Priority Providers

- Dentists
- Psychiatrists
- Other Mental Health Care Providers
 - Preference for Federal Local Match Funds
 - 50% ER Contribution Contracts


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FY10 Jan-May 2009 Application Period
Priority Practice Sites

- **Local Public Health Departments**
- **State-Funded Institutions**
 - State Psychiatric Hospitals
 - Forensic Medicine Centers
 - CMH Agencies
 - State Correctional Facilities
 - State-Funded Primary Care Clinics
- **Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes**
- **Critical Access Hospital (CAH)-Administered Primary Care Clinics**
- **Certified Rural Health Clinics (RHCs) Designated as Facility HPSAs**


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FY10 Jan-May 2009 Application Period
Applicant Priority Status

- **Double Priority Status**
 - Priority Provider/Priority Practice Site
- **Single Priority Status**
 - Priority Provider/Non-Priority Practice Site
 - Non-Priority Provider/Priority Practice Site
- **Non-Priority Status**
 - Non-Priority Provider/Non-Priority Practice Site

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Expanded Mental Health Care Provider Policy


Old Policy:

- 50% ER Contribution Contracts Required for all MHC Providers

New Policy:

- **Community-Based MHC Providers**
 - New 20% ER Contribution Competitive Contracts Available, within Limits
- **Institutional-Based MHC Providers**
 - 50% ER Contribution Contracts Required for all MHC Providers

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New Mental Health Care Provider Policy

Community-Based MHC Providers

- CMH Agencies, FQHCs, RHC/HPSAs = Priority Practice Sites
- Psychiatrists (Priority Providers):
 - Double Priority Applicants
 - No Policy Limit on Number Receiving 20% Contracts
- Other MHC Providers:
 - Up to Five Awarded 20% ER Contribution Contracts
 - Ph. D. Psychologists have Preference

Employer Sharing Arrangements

- Federal Guidelines Practice Site Oriented
- Non-HPSA CMH Employee Working at FQHC
- Provider working for Multiple ERs to total 40 Hours (Also for Dental and Medical)

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FY10 Jan-May 2009 Application Period
Rank-Ordered MSLRP Applicant List

- 1. Double Priority**
 - Priority Provider in Priority Practice Site
 - Ranked by: Longest to Shortest Contract (4-2 years)
 - Ranked by Lowest to Highest Lottery Number
- 2. Single Priority**
 - Non-Priority Provider in Priority Practice Site
 - Priority Provider in Non-Priority Practice Site
 - Ranked by: Longest to Shortest Contract (4-2 years)
 - Ranked by Lowest to Highest Lottery Number
- 3. Non-Priority**
 - Non-Priority Provider in Non-Priority Practice Site
 - Ranked by: Longest to Shortest Contract (4-2 years)
 - Ranked by Lowest to Highest Lottery Number
- 4. Withdrawn, Ineligible, Incomplete & Illegible**

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MSLRP Payments

- Start 6 Months after Contract Start Date
- Each 6 Months during Contract
- Provider Initiates Each Payment Cycle

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Work Verification Forms (WVFs)

Provider Initiates Each Payment Cycle:

- 1. Provider Forwards Each WVF to Employer, which includes:**
 - Month & Year Provider must Forward to Employer
 - Employer Contribution Amount
 - Address of MDCH Cashier's Office
- 2. Employer**
 - Signs WVF, Certifying 6 Months of Service Obligation Completed
 - Returns Signed Copy to Provider (files with contract)
 - Mails Original WVF and Employer Contribution to MDCH Cashier's Office
- 3. MSLRP Office Reviews and Approves Payment**
- 4. MDCH Accounting Office Pays Provider**
 - EFT

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Which Contract?

- **Sign-On Bonus/Provider Retention LRC,**
 - Designed to Capture "Money in Motion"
 - Competitive Situations
 - Hard to Recruit Providers
 - Quick Determination Required
 - Contract Start required before 10/1/09

- **20% ER Contribution Competitive Contract**
 - Use when Possible to save 30% (50-20=30%)
 - Less Competitive Situations
 - If Provider can Tolerate Long Lead Time
 - Jan 2009 – Oct 2009 Contract- April 2010 Payment
 - What are Chances for Contract Award? (Cut Off)
 - Double Priority = Very Good
 - Single Priority = Possible (Contract Length)
 - Non-Priority = Increasingly Doubtful as Volume Increases

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MSLRP Application Strategies
Maximizing Your Competitive Advantage:

- **New Providers and Providers in Transition should seek:**
 - Priority Practice Sites for MSLRP
 - Practice Sites with High HPSA Scores for NHSC

- **Apply for Longer-Term Contracts**
 - Applicants are ranked first by Double, Single, or Non-Priority status, followed by Contract Length, and finally by Lottery Number.
 - ER and EE must Discuss while Completing Application Forms
 - Take into Account any Plans for Applying to Re-Contract with MSLRP
 - Apply for Longest Term with which Both ER and EE are Comfortable

- **Call me for Consultation 517 241-9946**

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MSLRP Application Strategies
**Maximizing Your Competitive Advantage
Contract Length**

- **Strategies for Applying to Re-Contract with MSLRP**
 - **Effective for Providers with Contracts Starting after 11/1/08**

 - **Providers applying to Re-Contract with MSLRP will be Ranked by:**
 1. **Priority Status**
 - Double, Single, Non-Priority
 2. **Contract Length**
 - (Next Slide)
 3. **Lottery Number**
 - Randomly Generated

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MSLRP Application Strategies
Applying to Re-Contract with MSLRP

2 Contracts Must = 4 Years

Providers with:	Re-Applying for:	Ranked as:
3 Year Contract	1 Year	4 Year Contract
2 Year Contract	2 Year	4 Year Contract
2 Year Contract	1 Year	NA

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MSLRP Application Strategies
Applying to Re-Contract
Examples

Dr. Planahead:

- Applies for and receives a 4-year contract, because she is ranked above all other Single-Priority applicants requesting 2 and 3-year contracts.
- During her third and fourth years, she automatically continues receiving payments, without having to reapply.

Dr. Planalittle:

- Applies for and receives a 3-year contract.
- Later, he applies for a fourth year, which he is likely to receive because his application is ranked as a 4-year contract within his priority status category (3+1=4).
 - However, he must submit all application forms, including his Loan Repayment Documentation.

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MSLRP Application Strategies
Applying to Re-Contract
Examples

Dr. Shorterm:

- Applies for and luckily receives a 2-year contract, even though she is ranked below all 3 and 4-year contracts in her priority status category.
- She applies for and receives a third and fourth year, because her application is ranked as a four-year contract (2+2=4) within her priority status category.
 - However, she must submit all application forms, including her Loan Repayment Documentation.

Dr. Hitawall:

- Applies for and receives a 2 year contract.
- However, because he either has eligible debt for only a third year, or is unwilling to commit for a total of 4 years, he is not able to apply.

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Provider Issues
A Provider Who Breaches the MSLRP Contract:

- Receives no future MSLRP payments, and owes the Department an amount equal to the sum of:
 1. **The total of the amounts paid by the Department to the Contractor for loan repayment for any period of obligated service not served; and,**
 2. **An amount equal to the number of months of obligated service not completed, multiplied by \$7,500; except that:**
 3. **The amount the Department is entitled to recover shall not be less than \$31,000.**

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Dealing with Provider Issues

- **Informed Employer and Provider**
 - Reading & Understanding MSLRP Contract
 - Frank Pre-Contract Provider/MSLRP Office Discussion
- **Good Employer/Provider/MSLRP Office Communications**
 - Notify MSLRP Office and Discuss Changes in Employment Situation that Affects Contract
- **Limited Flexibility in Dealing with Provider Issues**
 - **Suspension**
 - **Transfer to New Practice Site**


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Dealing with Provider Issues
Suspension

- "Stops the Clock" on Provider's Service Obligation
- Allows Time Away from Practice Site in Excess of 7 week/35 Workday Limit per Contract Year for:
 - **Family/Maternity Leave**
 - **Personal Health Issues**
 - **Caregiving for Child, Spouse or Relative**
- MSLRP Contract is Amended
 - **Contract End Date is Extended to Recapture Period of Unfulfilled Service Obligation**
- Completion of Service Obligation
 - Can be Postponed, but
 - **Not** Cancelled.

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Dealing with Provider Issues
Transfer to New Practice Site

- Allows Provider to Complete Service Obligation and Avoid Breach of Contract, when:
 - **Current Practice Site is Closed**
 - **Irreconcilable Problems in Employer/Provider Relationship**
- Provider's Responsibility to find New Practice Site of a Different employer
 - **New Practice Site must be Located in a HPSA Corresponding to Provider's Discipline**
 - **New Employer must be Willing to make Employer Contributions**
- MSLRP Office Assists, but Resources Limited


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Summary

- New Providers and Providers in Transition
 - **For MSLRP:** Consider Employers with Priority Practice Sites in order to obtain Single Priority MSLRP Status
 - **For NHSC:** Consider Employers with Practice Sites in High-Score HPSAs
- Apply for Both NHSC and MSLR
- When Applying for MSLRP
 - ER and EE should discuss Contract Length
 - Discuss Default Penalties for Breaching MSLRP Service Obligation
 - Apply for Longest Contract Period (4 years) Agreed Upon

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MSLRP Questions?

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