



STEVEN M. THOMPSON
PHYSICIAN CORPS
LOAN REPAYMENT PROGRAM

2011

ANNUAL REPORT TO THE
LEGISLATURE:
PARTICIPANTS, PRACTICE
SETTINGS AND FUNDING

SUBMITTED PURSUANT TO HEALTH AND
SAFETY CODE SECTION 128557(a)

osbpd

Office of Statewide Health
Planning and Development



PREPARED BY THE HEALTH PROFESSIONS EDUCATION FOUNDATION

**Steven M. Thompson Physician Corps
Loan Repayment Program**

**Report to the Legislature: Participants,
Practice Settings and Funding**

March 2012

**Edmund G. Brown Jr., Governor
State of California**

**Diana S. Dooley, Secretary
Health and Human Services Agency**

**Stephanie Clendenin, Acting Director
Office of Statewide Health Planning and Development**

**Lupe Alonzo-Diaz, Executive Director
Health Professions Education Foundation**



Table of Contents

1	Executive Summary	3
2	Issue Statement	3
3	Background	3
4	Objectives	4
5	Study Methodology	4
6	Findings	4-8
7	Conclusion	8
8	Appendix A, California County Distribution	9
9	Appendix B, History of Program Legislation	10
10	Appendix C, Physician Practice Settings	11-13
11	Contact Information	14

Executive Summary

The Health Professions Education Foundation (Foundation) is required to submit an annual report to the California State Legislature documenting the performance of the Steven M. Thompson Physician Corps Loan Repayment Program (STLRP). In 2011, 185 applicants requested approximately \$17,583,785 in loan repayments, and the Foundation awarded \$4,121,688 to 76 physicians. The Foundation continues to expect a high demand for this program and will continue to seek additional revenue sources to meet its program objectives.

Issue Statement

Health and Safety Code Section 128557 (a) requires the Foundation to submit an annual report to the Legislature for the Steven M. Thompson Physician Corps Loan Repayment Program (STLRP), documenting the following five requirements: number of program participants, name and location of practice settings, amount of funds expended, information from annual performance reviews, and an update on the status and statistics for the Physician Volunteer Program. To date, the Physician Volunteer Program has not been implemented therefore there are no statistics available for this program. This report is being submitted as required by statute.

Background

The STLRP was created in 2003 to increase the accessibility to healthcare and promote the longevity of primary care physicians in medically underserved areas of California. Appendix B provides a complete timeline and description of the legislation pertaining to the program. Physicians and surgeons can receive up to \$105,000 in exchange for providing direct patient care in a medically underserved area for a minimum of three years. The application deadline for the STLRP is scheduled annually in the spring.

Health and Safety Code 128553 sections (c) and (d) provide that “up to 15 percent of the funds...shall be dedicated to loan assistance for physicians and surgeons who agree to practice in geriatric care settings” and “the selection committee may fill up to 20 percent of the available positions with program applicants from specialties outside of the primary care specialties.” Thus, at least 65 percent of available funds will be allocated for applicants who have completed a three-year postgraduate residency in the areas of primary care including family practice, internal medicine, pediatrics or obstetrics and gynecology. Further, pursuant to the California Code of Regulations, Title 16, Division 13, Chapter 1, Article 3.1, Section 1313.02 (b), “priority consideration is given to the applicants best suited to meet the cultural and linguistic needs of patients.” The applicant is evaluated according to the following criteria:

- speaks a Medi-Cal threshold language;
- comes from an economically disadvantaged background;
- has received significant training in culturally and linguistically appropriate service delivery;
- has three years of experience working in a medically underserved area or with a medically underserved population; and
- has recently obtained a license to practice medicine in any state of the United States or Canada.

Throughout the spring of 2011, the Foundation developed a partnership with the Office of Statewide Health Planning and Development’s (OSHPD) Healthcare Workforce Development

Division (HWDD). This partnership enabled the Foundation to leverage STLRP awards with matching funds from the American Recovery and Reinvestment Act (ARRA) of 2009, Pub. L. 111-5 and National Health Service Corps (NHSC) State Loan Repayment Program (SLRP), pursuant to Health and Safety Code 127940, in accordance with Section 254q-1 of Title 42 of the United States Code and related federal regulations. As a result of the new partnership and the prevalence of time-sensitive funding, the Foundation hosted an additional application deadline in the summer of 2011. The outcome of this effort was \$6,947,852 awarded to 76 physicians across California. The Foundation awarded \$4,121,688 for loan repayments and HWDD provided \$2,826,164 in matching funds from the SLRP to 61 of the 76 physicians selected.

Objectives

This report details the performance of STLRP in 2011, which includes documenting the number of program participants by name and location of practice settings, and amount of funds expended.

Study Methodology

This report used various sources of information to document its findings. This included information from the Foundation’s Health Professions Student Application Monitoring System (HPSAMS), the OSHPD budget office, and legislation that may impact the program’s objectives. HPSAMS is the Foundation’s internal monitoring system used to track demand for the program. This includes collecting information such as applications received and awarded, funds requested and awarded, and other demographic information on applicants and awardees including debt owed, specialties and regions served. OSHPD’s budget office was responsible for the financial monitoring and reporting of the funds collected and disbursed.

Findings

Based on the number of applicants and the amount of funds available each year, the process of selecting recipients continues to be competitive. To date, the STLRP has awarded more than \$17 million dollars to 223 individuals. Table One shows a summary of the applicants to the program since its inception.

Table One: Summary of Applicants, 2003-2010

Award Cycle	Applicants	Awarded	Declines	Amount Requested	Amount Awarded
2011	185	76	1	\$17,583,785	\$4,121,688
2010	63	29	0	\$5,036,259	\$2,809,821
2009	66	16	1	\$4,767,727	\$1,510,027
2008	40	5	2	\$3,484,255	\$250,000
2007	52	12	0	\$4,303,516	\$989,000
2006	63	21	4	\$5,640,000	\$1,686,810
2005	57	19	3	\$4,069,000	\$1,700,493
2004	77	16	0	\$6,154,000	\$1,310,178
2003	96	29	1	\$8,157,000	\$2,691,764
Total	699	223	11	\$59,195,542	\$17,069,781

Program Expenditures

The Foundation continues efforts to find additional contributions to support this program. In 2011, a partnership with the NHSC SLRP, allowed the program to significantly increase the number of applicants, number of awards, and the amount awarded. During Fiscal Year 2010/2011, expenses totaled \$89,913 in support costs and \$2,789,552 in loan repayment awards. The remaining \$1,332,136 in loan repayments awarded were executed in Fiscal Year 2011/2012.

Monitoring

The Foundation currently monitors 25 award recipients selected in 2010, as well as 14 award recipients selected in 2008 and 2009. In addition, there are 76 contracts that have been finalized and closed as those recipients have completed their service obligation. All recipients are required to work three years in a medically underserved area providing full-time direct patient care. Program Officers are responsible for monitoring award recipients biannually to verify their employment within a designated shortage area, and payments are issued annually. At the completion of the participant's three-year service obligation, Foundation staff sends a post-program survey to evaluate the effectiveness of the STLRP.

Breach of Contract

A breach is defined as the failure by one party to carry out any condition of the contract. The 2003, 2004 and 2005 award recipients have completed their contract obligations and their awards have been disbursed in full. One individual from the 2004 cycle received a first installment check in the amount of \$22,800 following the first year of her service obligation and then ended her employment at the eligible practice site. The Medical Board of California (Board) determined that this was a breach of contract and has agreed to collect the money owed because her contractual agreement was executed by the Board prior to the STLRP's transfer to the Foundation in 2005. This remains the only breach in the STLRP as of this report.

2011 Award Cycle

In 2011, the Foundation received a total of 185 applications for the STLRP, representing a cumulative request of \$17,583,785 to repay educational debt. The Advisory Committee was charged with identifying the most qualified candidates and awarding them a total of \$4,121,688 for loan repayments, with an additional \$2,826,164 provided in matching funds from the NHSC SLRP to some of the physicians selected. Of the applications received, the Advisory Committee selected 76 physicians and awarded them a loan repayment up to \$105,000 or the total amount owed, whichever was lower. The awardees came from various medical specialties and facilities located throughout California. Sixty one of the 76 physicians qualified to receive matching funds from the NHSC SLRP and 15 physicians only received funds from the STLRP. The total amount dispersed for the STLRP and STLRP-NHSC SLRP hybrid totaled \$6,947,852.

Table Two: 2011 Summary of Statistics

	STLRP	STLRP/SLRP	Total
Amount Requested	\$7,798,578	\$9,785,207	\$17,583,785
Amount Awarded	\$4,121,688	\$2,826,164	\$6,947,852
Applications Received	85	100	185
Applications Awarded	15	61	76

Practice Settings

The STLRP Advisory Committee chooses the most qualified applicants practicing in settings that meet the STLRP requirements, as defined in Health and Safety Code 128552. All settings are located in a medically underserved area, and at least 50 percent of their patients are from the Medi-Cal Program, Healthy Families Program, and uninsured populations. In addition to being in a medically underserved area, 60 of the 78¹ practice settings awarded have other federal designations, as described in Table Three.

Table Three: Program Participants, Types of Practice Setting

Type of Practice Setting	Number of Sites Awarded
Federally Qualified Health Center or Look Alike	25
Community Health Center	15
Rural Health Center	6
Migrant Health Center	4
Public Housing Health Center	4
Correctional Facility	3
Indian Health Clinic	3
Total:	60

Practice Settings and Program Participants Program Reviews

Performance reviews of STLRP participants are conducted by the Foundation through mandatory biannual reports which are completed and submitted by supervisors, clinic directors or other appropriate managers of the practice settings where the participants are serving their service obligation. Thus, the status of the program participants and their practice settings are verified continuously by the Foundation. Appendix C on page 10 of this report details the physician practice settings for the STLRP 2011 awards.

Specialties

Health and Safety Code 128553 sections (c) and (d) provides that “up to 15 percent of the funds...shall be dedicated to loan assistance for physicians and surgeons who agree to practice in geriatric care settings” and “the selection committee may fill up to 20 percent of the available positions with program applicants from specialties outside of the primary care specialties.” Thus, at least 65 percent of available funds will be allocated for applicants who have completed a three-year postgraduate residency in the areas of primary care including family practice, internal medicine, pediatrics or obstetrics and gynecology. A listing of postgraduate training for the 2011 award recipients is outlined in Table Four.

¹ Some physicians have multiple practice settings

Table Four: Specialties, 2011 Award Recipient Specialties

Specialty ²	Awardees
Family Practice	41
Geriatric Setting, Family Practice	3
Geriatric Setting, Internal Medicine	1
Geriatric Setting, Other	1
Geriatric Setting, Psychiatry & Neurology	1
Internal Medicine	8
Obstetrics/Gynecology	6
Pediatrics	11
Psychiatry & Neurology	7
Other	3
Total:	82

Osteopathic Physicians and Surgeons

Legislation has provided for the participation of osteopathic physicians and surgeons in the STLRP since 2010. In 2011, applications were received from 25 osteopathic physicians and surgeons and 11 were awarded.

Foreign Languages

The STLRP requires the Advisory Committee to consider an applicant's ability to meet the cultural and linguistic needs of a diverse patient population. Linguistic competency can help physicians break down language and cultural barriers commonly present when providing care to patients of diverse backgrounds. Awardees spoke a language other than English 84.2% of the time, while 18.4% of the recipients spoke three or more languages. Languages used in the workplace by awardees are detailed below in Table Five.

Table Five: Languages Spoken by 2011 Award Recipients

Language ³	Number of Awardees	Language (cont'd)	Number of Awardees
Cantonese	4	Mandarin	4
English only	12	Other Chinese	1
Farsi	3	Portuguese	1
Hindi	2	Punjabi	2
Hmong	1	Spanish	56
Korean	1	Tagalog	1
Laotian	1	Vietnamese	6

² Some physicians hold more than one specialty.

³ Some physicians speak multiple languages.

Geographic Distribution

The Advisory Committee chooses the most qualified applicants who are working in the areas of California with the greatest need as well as to ensure a geographic distribution of awards. The following regions are represented: Northern California, Bay Area, Central Valley, Central Coast, Southern California and Inland Empire. The Appendix A map displays award recipients and the counties in which they are employed.

Conclusion

The STLRP provides a significant incentive for physicians dedicated to serving in medically underserved areas. Since its inception, the STLRP has awarded more than \$17 million dollars to 223 individuals. In 2011, 185 applicants requested approximately \$17,583,785 in loan repayments, and the Foundation awarded \$4,121,688 to 76 physicians. Given the stable and permanent funding streams, the Foundation now has the ability to grant larger average awards to more physicians. The Foundation continues to award physicians willing to meet the needs and improve the health outcomes of California's underserved communities.

**Appendix A:
Steven M. Thompson Physician Corps Loan Repayment Program
2011 Award Recipients, Number of Awards per County**



Appendix B: History of Program Legislation

Legislation	Description
AB 982 (Firebaugh) Chapter 1131, Statutes of 2002	The bill established the California Physician Corps Loan Repayment Program within the Medical Board of California. The program encourages recently licensed physicians to practice in underserved locations in California by awarding loan repayments of up to \$105,000. AB 982 also authorized the Medical Board to allocate \$3 million from its Contingent Fund to implement the program and to support physician loan repayments.
AB 1403 (Nunez) Chapter 367, Statutes of 2004	The bill renamed the program the Steven M. Thompson Physician Corps Loan Repayment Program effective January 1, 2005.
AB 327 (De la Torre) Chapter 293, Statutes of 2005	The bill established a \$50 voluntary donation from physicians and surgeons at the time of initial licensure or biennial renewal to support the Steven M. Thompson Physician Corps Loan Repayment Program.
AB 920 (Aghazarian) Chapter 317, Statutes of 2005	The bill transferred the administration of the Steven M. Thompson Physician Corps Loan Repayment Program from the Medical Board of California to the Health Professions Education Foundation.
AB 2439 (De la Torre) Chapter 640, Statutes of 2008	The bill established a mandatory \$25 fee from physicians and surgeons at the time of initial licensure or biennial renewal to support the Steven M. Thompson Physician Corps Loan Repayment Program. The bill also required that up to 15 percent of the funds collected from the \$25 fee to be used for loan repayment for physicians who agree to practice in geriatric care settings or settings that primarily serve adults over the age of 65 years or adults with disabilities.
SB 1379 (Ducheny) Chapter 607, Statutes of 2008	The bill required that, beginning September 1, 2009, and annually thereafter, the first \$1,000,000 deposited into the Managed Care Administrative Fines and Penalties Fund be transferred to the Medically Underserved Account for Physicians to be used for loan repayment awards under the Steven M. Thompson Physician Corps Loan Repayment Program. The bill also required an immediate one-time transfer of \$1,000,000 from the Managed Care Administrative Fine and Penalties Fund to the Account.
SB 606 (Ducheny) Chapter 600, Statutes of 2009	The bill makes osteopathic physicians and surgeons eligible for the STLRP and requires that the Osteopathic Medical Board of California collect a mandatory \$25 fee from physicians and surgeons at the time of initial licensure or biennial renewal to support the STLRP.

**Appendix C: Practice Settings
2011 Award Recipients, Listed by Specialty**

Employer	Employment County	STLRP Award Amount	Matching Award Amount from NHSC SLRP
Family Practice: Family Medicine is a medical specialty devoted to comprehensive healthcare to people of all ages. It is a form of primary care that provides continuing, comprehensive healthcare for the individual and family across all ages, sexes, diseases, and parts of the body.			
Las Islas Diabetes Center	Ventura	\$18,885	\$0
Compton Family Medical Clinic	Los Angeles	\$72,081	\$0
St. Anthony Medical Center	Los Angeles	\$105,000	\$0
Wilmington Health Center	Los Angeles	\$105,000	\$0
Nhan Hoa Clinic	Orange	\$105,000	\$0
Mercy Family Health Clinic	Merced	\$105,000	\$0
California State Prison, Sacramento	Sacramento	\$28,657	\$28,657
Petaluma Health Center	Sonoma	\$28,791	\$28,791
John C. Fremont Healthcare District	Mariposa	\$29,393	\$29,393
United Health Centers of the San Joaquin Valley-Kerman	Fresno	\$31,957	\$31,957
Gardens Medical Center	Los Angeles	\$32,920	\$32,920
Mendocino Coast Clinics	Mendocino	\$37,047	\$37,047
La Clínica de la Raza	Alameda	\$37,324	\$37,324
Ceres Medical Office	Stanislaus	\$40,500	\$40,500
Lake County Tribal Health Consortium	Lake	\$40,798	\$40,798
Seaside Family health Center	Monterey	\$41,525	\$41,525
Operation Samahan	San Diego	\$43,687	\$43,687
Lifelong Medical Care	Alameda	\$52,500	\$52,500
Redwoods Rural Health Center	Humboldt	\$52,500	\$52,500
Chapa-De Indian Health Program	Nevada	\$52,500	\$52,500
California State Prison Corcoran	Kings	\$52,500	\$52,500
Alta Med Health Services Corporation	Los Angeles	\$52,500	\$52,500
The Saban Free Clinic-Hollywood Wilshire Health Center	Los Angeles	\$52,500	\$52,500
UMMA Community Clinic	Los Angeles	\$52,500	\$52,500
Valley Health Team	San Joaquin	\$52,500	\$52,500
Family Health Centers of San Diego	San Diego	\$52,500	\$52,500
Adventist Health Community Care Dinuba	Fresno, Tulare	\$52,500	\$52,500
East Valley Community Health Center, Pomona	Los Angeles	\$52,500	\$52,500
UCI Family Health Center, Anaheim	Orange	\$52,500	\$52,500
Gardner South County Health Center	Santa Clara	\$52,500	\$52,500
Clínica Sierra Vista	Fresno	\$52,500	\$52,500
Golden Valley Health Center	Stanislaus	\$52,500	\$52,500

Employer	Employment County	STLRP Award Amount	Matching Award Amount from NHSC SLRP
Redwood Family Practice	Humboldt	\$52,500	\$52,500
Redwood Family Practice	Humboldt	\$52,500	\$52,500
Alta Med	Orange	\$52,500	\$52,500
Sonoma County Indian Health Project	Sonoma	\$52,500	\$52,500
Petaluma Health Center	Sonoma	\$52,500	\$52,500
Clínica Oscar A Romero	Los Angeles	\$52,500	\$52,500
Geriatric Care Settings: Geriatrics is a sub-specialty of internal medicine, family medicine, and psychiatry that focuses on health care of elderly people. It aims to promote health by preventing and treating diseases and disabilities in older adults.			
Family Practice, Santa Clara Valley Medical Center Moorpark Clinic	Santa Clara	\$17,150	\$17,150
Family Practice, Soledad Medical Clinic	Monterey	\$52,500	\$52,500
Family Practice, San Ysidro Health Center	San Diego	\$52,500	\$52,500
Internal Medicine, UCSF and Lifelong Medical Care	San Francisco, Alameda	\$105,000	\$0
Other Specialty, Ventura County Medical Center	Ventura	\$105,000	\$0
Psychiatry and Neurology, San Francisco General Hospital	San Francisco	\$49,558	\$0
Internal Medicine: Internal medicine physicians diagnose and treat the general medical problems of adult patients, as well as disorders of the internal organs.			
Primary Care Medical Center	Santa Clara	\$105,000	\$0
Neighborhood Healthcare	San Francisco	\$35,390	\$35,390
General Medicine Clinic, SF General Hospital	San Francisco	\$52,500	\$52,500
Santa Clara Valley Homeless Healthcare Program	Santa Clara	\$52,500	\$52,500
General Medicine Clinic, SF General Hospital	San Francisco	\$52,500	\$52,500
Alameda County Medical Center	Alameda	\$52,500	\$52,500
Internal Medicine and Pediatrics: a physician who has obtained board certification in both internal medicine and pediatrics.			
Family Health Centers of San Diego	San Diego	\$40,038	\$40,038
Obstetrics/Gynecology: OB-GYN physicians specialize in obstetrics and gynecology. Obstetrics is the medical discipline focusing on pregnancy and childbirth. Gynecology is the general care and management of the female reproductive system.			
University of Southern California	Los Angeles	\$105,000	\$0
Metropolitan Family Clinics - Summit Office	San Bernardino	\$52,500	\$52,500
La Clínica Monument, La Clínica Transit Village	Contra Costa, Alameda	\$52,500	\$52,500
Alameda County Medical Center/ Highland Campus	Alameda	\$52,500	\$52,500

Employer	Employment County	STLRP Award Amount	Matching Award Amount from NHSC SLRP
San Joaquin General Hospital and Community Medical Center	San Joaquin	\$52,500	\$52,500
Deran Koligian Ambulatory Care Center	Fresno	\$52,500	\$52,500
Pediatrics: Pediatric physicians assess and treat the physical, emotional and social health of children from birth to young adulthood.			
Community Health System	Riverside	\$105,000	\$0
San Mateo Medical Center	San Mateo	\$15,500	\$15,500
Nieghborhood Healthcare	San Diego	\$17,821	\$17,821
Huntington Beach Community Clinic- AltaMed Health Services	Orange	\$39,041	\$39,041
Neighborhood Healthcare Pediatrics/Prenatal Clinic	San Diego	\$52,148	\$52,148
Clinica Serra Vista - Garland Site	Fresno	\$52,500	\$52,500
AltaMed Health Services	Orange	\$52,500	\$52,500
Children's Hospital of Central CA, Charlie Mitchel Children's Clinic	Madera	\$52,500	\$52,500
San Francisco General Hospital	San Francisco	\$52,500	\$52,500
Alta Med	Los Angeles	\$52,500	\$52,500
Psychiatry/Neurology: Neurologists specialize in the diagnosis and treatment of diseases or impaired function of the brain, spinal cord, peripheral nerves, muscles, autonomic nervous system, and blood vessels that relate to these structures. Psychiatrists specialize in the prevention, diagnosis, and treatment of mental disorders, emotional disorders, psychotic disorders, mood disorders, anxiety disorders, substance-related disorders, sexual and gender identity disorders and adjustment disorders.			
LA County Department of Health Services, Olive View UCLA	Los Angeles	\$105,000	\$0
Los Angeles Department of Mental Health	Los Angeles	\$105,000	\$0
Family Health Centers of San Diego: Logan Heights and Grossmont	San Diego	\$52,500	\$52,500
Santa Clara Valley Health and Hospital System	Santa Clara	\$52,500	\$52,500
Psychiatry/Neurology, Addiction Psychiatrist: Addiction psychiatrists are physicians who focus on the evaluation and treatment of individuals with alcohol, drug, or other substance-related disorders, and of individuals with dual diagnosis of substance-related and other psychiatric disorders.			
Pleasant Valley State Prison	Fresno	\$14,821	\$14,821
Pleasant Valley State Prison	Fresno	\$52,500	\$52,500
Other Specialty: These physicians have not yet selected a specialty that they will pursue, or their specialty is not listed above			
Vista Community Clinic	San Diego	\$49,156	\$49,156
Golden Valley Health Center	Stanislaus	\$52,500	\$52,500
OF THE \$6,947,852 TOTAL AWARDED:		\$4,121,688	\$2,826,164

Contact Information

For questions on this report or the Steven M. Thompson Physician Corps Loan Repayment Program contact the Health Professions Education Foundation

Mailing Address:
Health Professions Education Foundation
Attn: Steven M. Thompson Physician Corps Loan Repayment Program
400 R Street, Suite 460
Sacramento, CA 95811

E-mail:
hpef-email@oshpd.ca.gov

Telephone:
(916) 326-3640



PREPARED BY THE HEALTH PROFESSIONS EDUCATION FOUNDATION