NOVEMBER 1, 2016

BEHAVIORAL HEALTH LOAN REPAYMENT

PROGRAM PLAN

OFFICE OF HEALTH EQUITY
VIRGINIA DEPARTMENT OF HEALTH
Richmond, Virginia

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Executive Summary

Virginia has a significant need for behavioral health providers. Seventy-three recently completed community health needs assessments reported behavioral health services as the most commonly reported critical service gap. It was also among the top three most frequently reported strategies for implementation within Virginia's communities.

In an attempt to address gaps in behavioral health workforce availability and accessibility, the General Assembly directed the Virginia Department of Health (VDH) in collaboration with other stakeholders to develop a plan to increase the number of Virginia behavioral health practitioners through the use of a student loan repayment program.

The purpose of the Virginia Behavioral Health Loan Repayment Plan (BHLRP) is to provide support for services and create access to behavioral health care by arranging for assets within communities that are chronically without mental health providers.

In 2014, Virginia ranked 47th in the nation for both adults and children that have acute mental illness with unmet behavioral health needs. *(Mental Health America, 2014)* According to a newly updated report by Mental Health America in 2016, the ranking for adults that have acute mental illness with behavioral health needs has improved to 39th in the nation. *(Mental Health America, 2016)* Among Virginia's primary obstacles to meeting unmet needs are workforce availability, in which the state ranks 39th in the nation, and access to mental health, for which the state ranks 32nd in the nation. These findings corroborate well with current data on Virginia's Mental Health Professional Shortage Areas (mental HPSAs). Mental HPSAs identify communities and populations with the highest need for mental health professionals. Virginia's total population is 8,382,993 *(U.S. Census Bureau, 2015)*. In Virginia, 77% of counties/cities contain at least one mental HPSA (partial area, whole area, or facility) and as of 2016, 3,347,880 Virginians, or approximately 40% of all Virginians, live in areas designated as mental HPSAs.

The goal of the program is to ultimately increase the number of Virginia behavioral health practitioners by way of an educational loan repayment incentive that "complements and coordinates with existing efforts to recruit and retain Virginia behavioral health practitioners." The stakeholder group reviewed a multitude of available state and national data pertaining to behavioral health workforce, identified gaps in those data and reviewed a thorough inventory of state sponsored programs that aim to incentivize the recruitment and retention of behavioral health providers. This plan is a product of a shared vision and many months of extensive stakeholder engagements.

The plan allows for a variety of behavioral health practitioners to receive a student loan repayment award from the Commonwealth in exchange for providing service to Virginia communities that are otherwise underserved. This plan is distinctive, strong and promotes health equity for Virginians while providing the opportunity for practitioners to receive loan repayment for up to 25% of student loan debt for each year of health care service provided to the Commonwealth. Maximum loan repayment amounts per year are dependent upon the type of behavioral health professional applying and shall not exceed the total student loan debt. Participating practitioners will have an initial two-year minimum participation obligation and may renew for a third and fourth year. This provides the practitioner with the opportunity to fully pay off their student loan debt while providing four years of service to the Commonwealth.

The maximum anticipated fiscal impact is $1,600,000 to fully fund and administer for a two year period a program that provides at least 30 providers and 108,000 hours of additional behavioral health services to Virginia's underserved communities.

Introduction

The Behavioral Health Loan Repayment Program Plan was designed with thoughtful consideration to the composite snapshot of 73 community health needs assessments (CHNA) representing a broad cross-section of Virginia's communities. From 2012-2015, behavioral health was the most commonly reported critical service gap and the most frequently reported priority among implementation strategies. *(Virginia Health Care Foundation and Virginia Hospital and Healthcare Association, 2016)* Similarly, 85% of CHNAs identified local gaps in the behavioral health workforce. The plan was also designed in accordance with Virginia's state health improvement plan, Virginia's Plan for Well-Being, which identifies behavioral health as an issue that significantly influences the health and well-being of the people of Virginia.

Item 288(B) of the 2016 Budget Bill states that the "Virginia Department of Health shall collaborate with the Virginia Health Care Foundation and the Virginia Department of Behavioral Health and Developmental Services, the state teaching hospitals, and other relevant stakeholders on a plan to increase the number of Virginia behavioral health practitioners." The Behavioral Health Loan Repayment Program Plan outlined here is the culmination of the collaborative efforts of the Behavioral Health Loan Repayment Workgroup and VDH.

VDH created a collaborative community of stakeholders across Virginia to fulfill the plan. Each stakeholder and stakeholder type is listed below. These meetings provided stakeholders with an opportunity to fully discuss, collaborate, and formulate a data-driven plan that addresses the requirements as articulated by the General Assembly in the 2016 Budget Bill, Item 288 (B).

Stakeholder Name	Stakeholder type
Virginia Community Healthcare Association	Primary Care Association
Virginia Rural Health Association	Rural Health Association
Virginia State Office of Rural Health	State Office Responsible for Rural Health Planning and Coordination
Virginia Health Workforce Development Authority	Statewide Health Professions Pipeline Development
Virginia Hospital & Healthcare Association	Community Hospitals
Central State Hospital	Facility-based Behavioral Health Care
Mountain States Health Alliance	Rural Psychiatry Residency Development
Virginia Health Care Foundation	Focuses on Underserved Areas and Populations
Graduate Medical Educational Consortium of Southwest Virginia	Workforce Recruitment for the Rural Underserved
Virginia Dept. of Behavioral Health and Developmental Services (DBHDS)	State Authority for Virginia's Publicly Funded Behavioral Health and Developmental Services System
Virginia Department of Health Professions	Professional Licensure/Health Workforce
Virginia State Primary Care Office	State Office Responsible for Primary Care Health Planning and Health Workforce Incentive Program Administration
Virginia Association of Community Services Boards	Community-Based Behavioral Health Care
Virginia Association of Free and Charitable clinics	Volunteer/Faith Based or Civic Health Care Clinics

Background and Need

The World Health Organization defines mental health as "the state of well-being in which every individual realizes his or her own potential, can cope with normal stresses of life, can work productively and fruitfully, and is able to make a contribution to his or her community." *(World Health Organization, 2014)* Mental health is essential to personal well-being, family and interpersonal relationships, and the ability to contribute to community or society. *(Office of Disease Prevention and Health Promotion, 2012)*

It should come as no surprise that mental health and physical health are closely connected. Mental well-being plays a major role in one's ability to maintain good physical health. Mental illnesses, such as depression and anxiety can significantly impair one's ability to participate in health-promoting behaviors. Similarly, problems with physical health, such as chronic diseases, can have a serious impact on mental health and decrease a person's ability to participate in treatment and recovery. *(Office of Disease Prevention and Health Promotion, 2012)*

The prevalence of mental health disorders in Virginia is substantial. About 7% of adult Virginians suffer from some form of depression. (Centers for Disease Control and Prevention, 2011) Nearly 11% of adult Virginians have been diagnosed with anxiety in their lifetime. Mood disorder, including bipolar disorder and depression as a primary diagnosis, is also a top condition among Virginia Medicaid clients. (Virginia Department of Behavioral Health and Developmental Services, 2013) Substance use disorder has also had a significant impact on Virginia communities, with opiate deaths rising every year since 2012. (VDH, Office of the Chief Medical Examiner, 2016)

In 2013, severe mental illness data was similarly sobering with approximately 341,773 adults in Virginia diagnosed with a serious mental illness. (Virginia Department of Behavioral Health and Developmental Services, 2013) In that same year "between 117,592 and 143,724 children and adolescents had a serious emotional disturbance, with between 65,329 and 91,461 exhibiting extreme impairment." (Virginia Department of Behavioral Health and Developmental Services, 2013)

Nationwide, mental disorders are among the most common causes of disability. "Neuropsychiatric disorders are the leading cause of disability in the United States, accounting for 18.7% of all years of life lost to disability and premature mortality." *(Substance Abuse and Mental Health Services Administration, 2014)* The first annual State of Mental Health in America Report was released in 2015 by Mental Health America. In this report Virginia ranked in the middle of the pack overall for mental health status among children and adults. *(Mental Health America, 2014)* However, what is most bothersome is that the state ranks 47th in the nation for both adults and children with acute mental illness with unmet needs. *(Mental Health America, 2014)* Virginia also ranks 39th in the nation for workforce availability and 32nd in the nation for access to mental health. *(Mental Health America, 2014)* New rankings released October 18, 2016 reveal an improvement in Virginia adults with acute mental illness with unmet needs; Virginia now ranks 39th. *(Mental Health America, 2016)* However, Virginia declined slightly in workforce availability now ranking 40th in the nation. *(Mental Health America, 2016)*

In Virginia's effort to become the healthiest state in the nation, the importance of mental health cannot be overlooked. Improvement in mental health status will be the result of focused efforts on prevention and ensuring access to appropriate, quality mental health services. *(Office of Disease Prevention and Health Promotion, 2012)* An essential key to success is building a sufficiently sized and appropriately distributed behavioral health workforce available to provide quality services at the right time and in the right setting. This requires a multi-pronged approach of recruiting behavioral health providers to the Commonwealth, while also retaining the providers that Virginia currently has.

Important Considerations

Understanding Health Professional Shortage Areas (HPSAs)
A long established method of directing resources to areas with pressing workforce needs is through the use of federal shortage area designations. These include federally-designated Health Professional Shortage Areas (HPSAs) and Medically Underserved Areas (MUAs). HPSAs are federally designated shortage areas used as a reference for a variety of federal programs including:

1) National Health Service Corps scholarships and loan repayment programs
2) Medicare Incentive Program bonus payments
3) Certified Rural Health Clinic (RHC) designation
4) Conrad 30 and Appalachian Regional Commission J-1 Visa Waiver programs

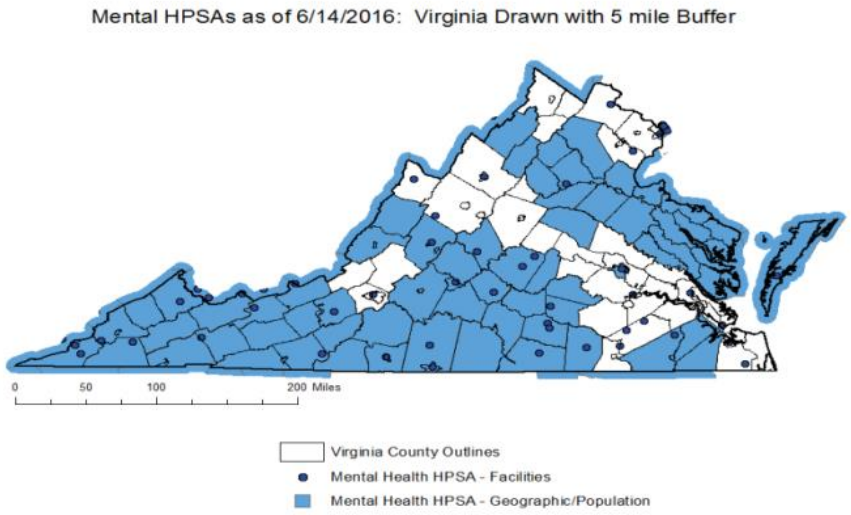

Figure 1: Virginia Mental HPSAs (VDH, Office of Health Equity, 2016)

In order for a geographic area or population to qualify as a mental HPSA, the area must meet a minimum population to provider ratio, in addition to other criteria. This ratio can be satisfied in one of three ways:

- A population-to-core mental health professional[1] ratio greater than or equal to 6,000:1 and a population-to-psychiatrist ratio greater than or equal to 20,000:1; or
- A population-to-core mental health professional ratio greater than or equal to 9,000:1; or
- A population-to-psychiatrist ratio greater than or equal to 30,000:1.

Currently, Virginia has 189 mental HPSAs. In total, 3,347,880 Virginians live in areas designated as mental HPSAs. *(VDH, Office of Health Equity, 2016)*

Understanding Medically Underserved Areas/Populations

Medically Underserved Areas/Populations (MUA/P) are a separate federal shortage designation. MUA/Ps are similar to HPSAs, but include infant mortality, poverty and population age as integral parts of the scoring

[1] Core mental health professionals include: psychiatrists; clinical psychologists; clinical social workers; psychiatric nurse specialists; and marriage and family therapists. *(Health Resources and Services Administration, 2016)*

system. MUA/Ps are infrequently reviewed or updated by the federal government, meaning many MUA/Ps are out of date. This limits their efficacy at identifying the *most current* areas of need. Nevertheless, although far from perfect, MUA/Ps designations are the only universally accepted measure of medically underserved communities and are still used by the federal government as an eligibility option for federally qualified health centers (FQHCs) and rural health clinics (RHCs).

Defining the Safety Net

The workgroup discussed the importance of defining "the safety net" for the purposes of the behavioral health loan repayment program. By way of unanimous agreement, the definition found in the Institute of Medicine's seminal report, America's Health Care Safety Net: Intact but Endangered was adopted by the stakeholder workgroup. The definition establishes safety net providers as "providers that offer care to patients regardless of their ability to pay for services; and a substantial share of their patient mix are uninsured, Medicaid, and other vulnerable patients." *(Institute of Medicine, 2000)*

The Current Workforce

If all mental HPSAs in Virginia were removed it would only provide a single psychiatrist to care for 30,000 residents. This ratio falls short of the ideal ratios often quoted in physician needs assessments. These ratios vary widely in methodology and estimates range anywhere from 3.9 to 15.9 psychiatrists per 100,000. *(Merritt Hawkins, 2013)* This is 1.2 to 4.77 times more psychiatric physicians than is required to exceed health professional shortage area designation. The current landscape of the behavioral health workforce illustrates that Virginia has provider assets that exceed population requirements if those providers were appropriately distributed.

Unfortunately, the reality is that Virginia's behavioral health providers are not distributed according to population needs but are more reflective of professional and economic opportunity. Furthermore, there is the looming challenge of a rapidly aging workforce that will result in further workforce shortages due to a large number of impending retirements. *(DHP, Healthcare Workforce Data Center, 2016)* Clinical mental health provider populations are among the oldest of the health professional

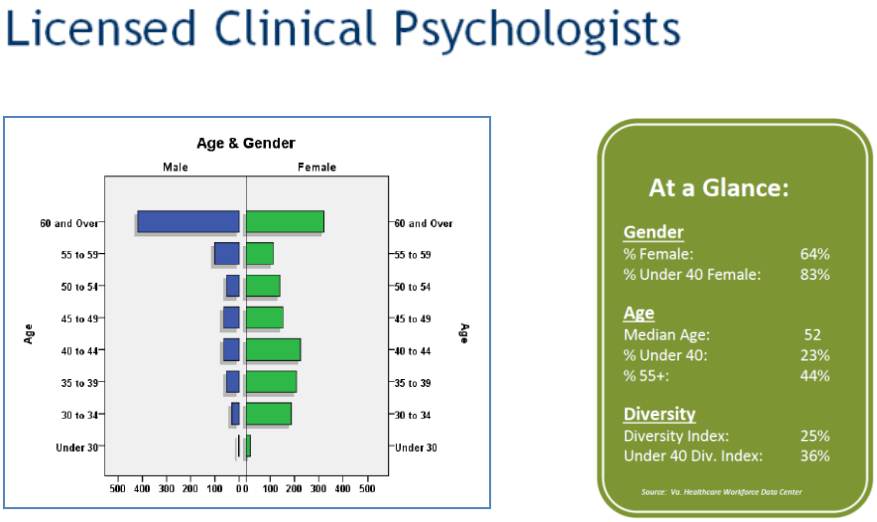

Figure 2: Demographics of Virginia's Licensed Clinical Psychologist Workforce (DHP, Healthcare Workforce Data Center, 2016)

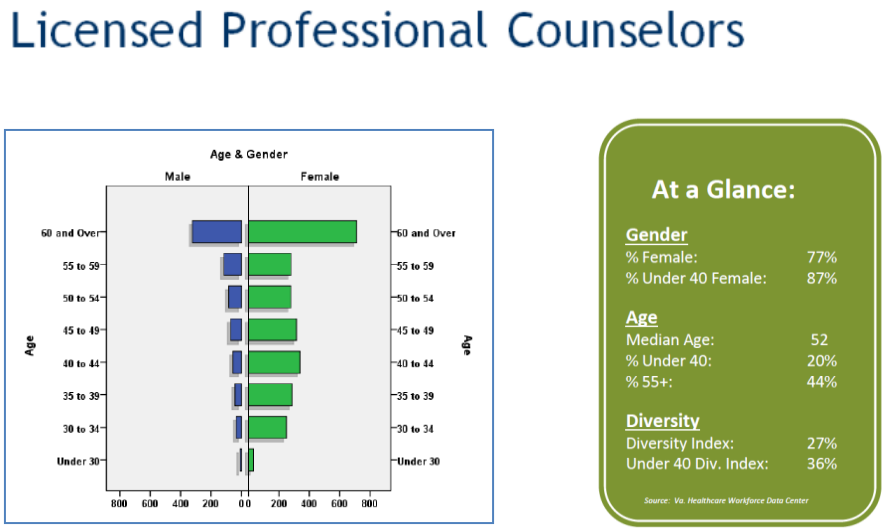

Figure 3: Demographics of Virginia's Licensed Professional Counselors (DHP, Healthcare Workforce Data Center, 2016)

populations. *(DHP, Healthcare Workforce Data Center, 2016)*

Virginia's population, including its health provider population, is growing older, which means that a large portion of Virginia's physicians, dentists and clinical psychologists are also approaching retirement age. *(VDH, Office of Health Equity, 2016)* According to the latest reports from the Virginia Department of Health Professions' Healthcare Workforce Data Center, 39% of physicians, 40% of dentists and 44% of clinical psychologists are age 55 and over. *(DHP, Healthcare Workforce Data Center, 2016)*

These providers will be more difficult to replace as the working age population shrinks in proportion to the senior population.

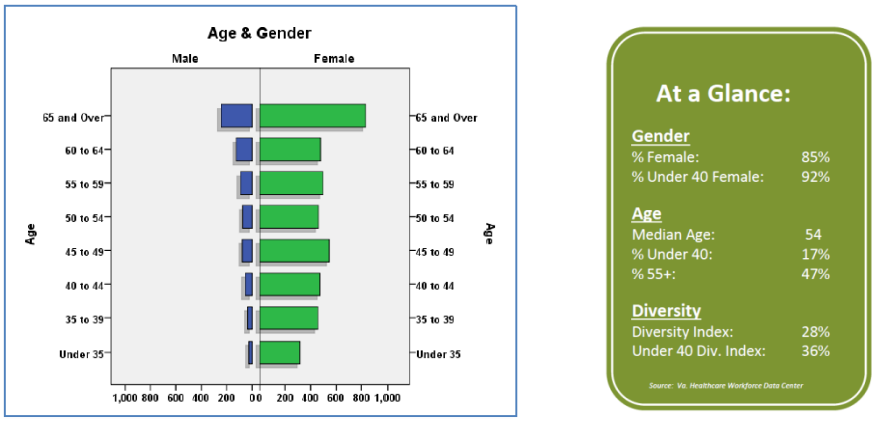

Figure 4: Demographics of Virginia's Licensed Clinical Social Workers (DHP, Healthcare Workforce Data Center, 2016)

Distribution of Behavioral Health Workforce

Virginia's Department of Health Professions Healthcare Workforce Data Center (HWDC) administers surveys to health professionals during the license renewal process, collecting data on a variety of factors.

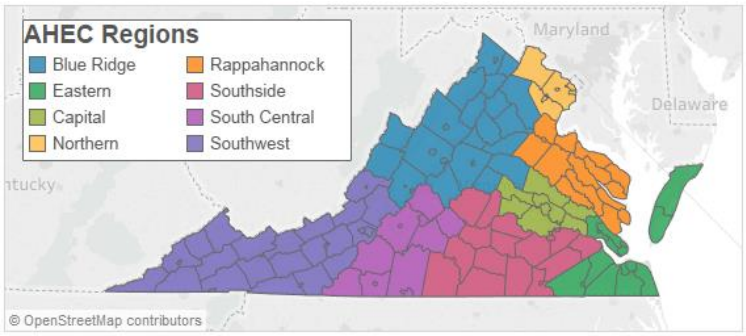

Figure 6: Virginia AHEC Regions

Figure 5: Distribution of Core Mental Health Providers by AHEC Region (DHP, Healthcare Workforce Data Center, 2016)

Most states do not collect data consistently; therefore, it is difficult to compare these data nationally. However, examination of geographic disparities within Virginia is possible. Examination of Virginia's Area Health Education Center (AHEC) regions (Figure 5) illustrates the disparities in distribution of Core Mental Health Provider Full-time Equivalents (FTEs). The three AHEC regions with the lowest physician and non-physician provider FTE totals are largely rural areas. (Figure 6)

Rural physician shortages have been documented for at least 85 years. *(Mareck, 2011)* Like many states, Virginia struggles to recruit and retain physicians and other health care providers in rural areas of the state. This challenge is further amplified for behavioral health providers.

It should be noted that the maldistribution of providers is not uniquely rural. Many areas of the state with shortages in one professional domain also suffer from shortages in other professional domains. These overlapping shortage areas compound difficulties residents have in accessing providers and maintaining their health. Offices and facilities in areas with overlapping shortages may have difficulty implementing integrated care programs as they may struggle to recruit providers from the multiple professions required. (Figure 7) This is particularly relevant in the Commonwealth.

Many chronically challenged areas rely on primary care providers to be the first line of prevention and treatment for mental illness. However, if primary care physicians are also in short supply, it exacerbates the lack of access. The map below shows the sum of HPSA scores for all designations in the area.

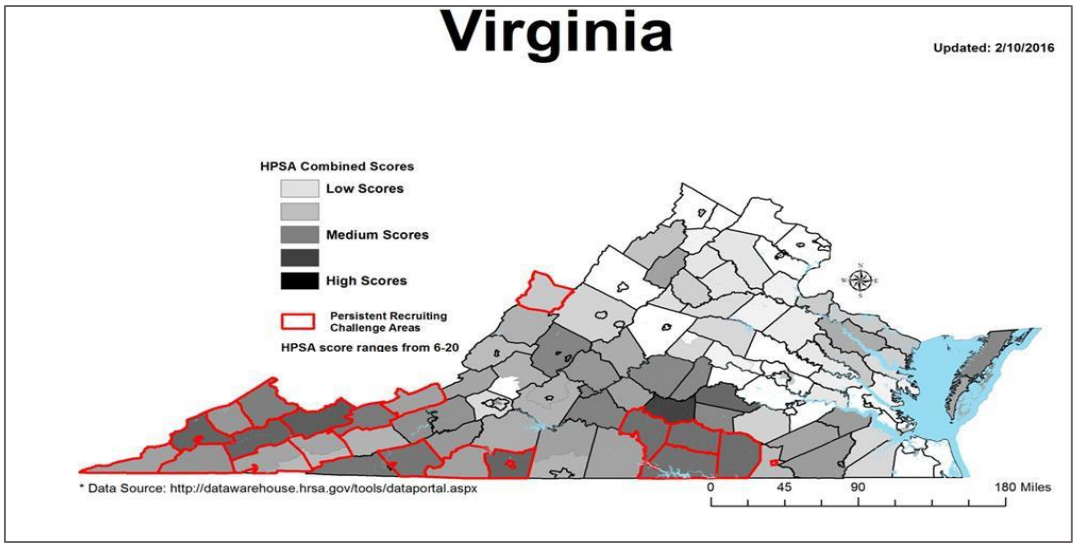

Figure 7: Map shows the sum of HPSA scores for all HPSA designations (VDH, Office of Health Equity, 2016)

Lower Salaries for Behavioral Health Providers

When compared to their counterparts that achieved similar educational attainment, many behavioral health providers are compensated the least within their respective educational brackets. (Figure 8) The comparatively lower salaries do not, however, translate into lower educational debts.

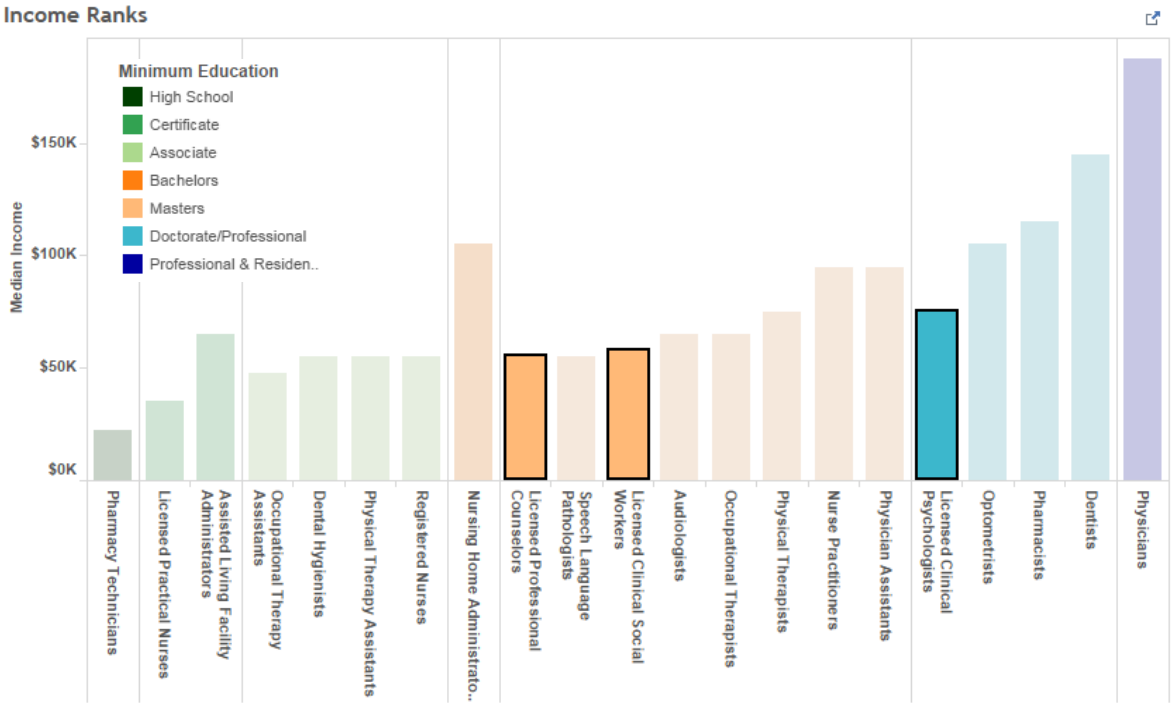

Figure 8: Median Incomes of Virginias Core Mental Health Provider Workforce (DHP, Healthcare Workforce Data Center, 2016)

The median debt-to-income ratio of Virginia's physician workforce is just below 0.25. The debt-to-income ratios of licensed clinical psychologists, licensed clinical social workers and licensed professional counselors all exceed that of physicians. (Figure 9) This creates an environment where behavioral health providers are competing in a marketplace where higher salaries can make a significant difference in career decisions. This is disadvantageous for public mental health facilities and safety net providers that are located in higher cost of living areas. Conversely, an incentive program centered on loan repayment may have the potential to be remarkably effective at attracting behavioral health providers of all educational levels in these areas.

Profession	Median Income	Median Debt
Counselors	$55,000	$45,000
Social Workers	$55,000	$35,000
Psychologists	$75,000	$85,000

Figure 9: Median Debt to Income Ratio for Virginia's Behavioral Health Workforce (DHP, Healthcare Workforce Data Center, 2016)

Opportunities for Recruitment & Retention

National Marketplace for Behavioral Health Providers

Virginia competes in a national market for behavioral health providers. Although there are currently six accredited medical schools, nine accredited clinical psychology programs, nine accredited Master's in social work programs and 21 accredited clinical counseling programs in Virginia, the marketplace is competitive and Virginia exports many of its clinical practitioners to other states.

Psychiatrists and licensed clinical psychologists in particular tend to move away from Virginia, which requires the Commonwealth to recruit the majority of its workforce from other states. Fewer than one in four physicians completed either high school or undergraduate degrees in Virginia and only 20% of practicing Licensed Clinical Psychologists in the Commonwealth are "homegrown" and attended high school in Virginia. Just under half of Virginia's licensed professional counselors and licensed clinical social workers completed high school in Virginia.

The national marketplace is challenging, but also provides ample opportunity for the recruitment of doctoral level behavioral health workforce providers from a national pool of candidates.

Profession	High School in Virginia	Professional Education in Virginia	Neither in Virginia
Licensed Clinical Psychologists	20%	28%	62%
Licensed Professional Counselor	44%	66%	27%
Licensed Clinical Social Workers	42%	52%	39%

Figure 10: Core Mental Health Provider training in Virginia (DHP, Healthcare Workforce Data Center, 2016)

Homegrown Providers

Just as licensed clinical psychologists tend to move, the trend for licensed professional counselors and licensed clinical social workers (LCSW) is largely the opposite. An estimated 66% of Virginia's LPC workforce received their professional education in Virginia and 52% of Virginia's LCSW workforce was professionally educated in Virginia. *(DHP, Healthcare Workforce Data Center, 2016)* This seems to indicate the opportunity to grow, educate and retain homegrown providers in the Commonwealth who will have a natural affinity for remaining in Virginia to engage in their professional practices.

Workforce Diversity

"Given changing U.S. demographic trends, achieving greater diversity in the health care workforce will likely yield the practical benefits of producing a culturally competent workforce, improving access to high-quality care for the medically underserved." *(Cohen, 2002)* There is a large body of literature demonstrating that minority providers and providers raised in underserved areas are more likely to care for patients with Medicaid insurance, that are uninsured, economically disadvantaged or live in areas that are underserved or have health care provider shortages. *(Cooper, 2004)* The diversity within Virginia's current behavioral health workforce is not fully reflective of the diversity found in the Commonwealth, but that is expected to change if the trends noted in the workforce under the age of 40 persist. *(DHP, Healthcare Workforce Data Center,*

2016) This trend of increasing workforce diversity is advantageous to Virginia as the Commonwealth boasts a diverse population with greater than 29% minorities, greater than 100 languages spoken, and in 2010, 41.6% of all Virginia households (both natives and the foreign born) had limited linguistic competence in English. There are significant opportunities to increase recruitment efforts and provide incentives to individuals of diverse background who will be more likely drawn to providing services long term in underserved communities.

Race/ Ethnicity	Virginia Population*	Licensed Clinical Psychologists	Licensed Professional Counselor	Licensed Clinical Social Workers
White	64%	86%	85%	85%
Black	19%	5%	9%	10%
Asian	6%	2%	1%	1%
Hispanic	8%	3%	3%	3%
Other/2 or more	3%	3%	3%	2%

* US Census Data, 2011 Vintage.

Figure 11: Race and Ethnicity of Core Mental Health Providers in Virginia (DHP, Healthcare Workforce Data Center, 2016)

The Loan Repayment Program Plan

	Virginia Plan
Administering agency	Virginia Department of Health
Purpose of program	Increase the number of Virginia behavioral health practitioners. Program will complement and coordinate with existing efforts to recruit and retain Virginia behavioral health practitioners
Part time considered?	Full and part-time practitioners will be eligible
Who can apply?	Virginia behavioral health practitioners including: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, child and adolescent psychiatrists, and psychiatric nurse practitioners*. **Recommendation to include Psychiatrists as well*
Tier system	Tier I providers: Child and adolescent psychiatrists, psychiatric nurse practitioners, *and psychiatrists** Tier II providers: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, and child and adolescent psychiatrists **Recommendation to include psychiatrists as well*
Who reviews application and determines eligibility?	Virginia Department of Health
Advisory body?	Yes
Payoff commitment	For each eligible year of service provided, the practitioner will receive a year of applicable loan repayment award in return.
Minimum participation commitment	2 years
Maximum participation commitment	4 years
Minimum initial clinical practice	2 years
Location of practice site	Preference for applicants choosing to practice in underserved areas of the Commonwealth.
Type of practice eligible	Virginia's community service boards (CSBs), behavioral health authorities, state mental health facilities, free clinics, federally qualified health centers and other similar health safety net organizations.
Separate site application	No
Maximum	The award may go up to 25% of student loan debt, not to exceed $30,000/ year for Tier I professionals or $20,000 per year for Tier II professionals. In no instance shall the loan repayment exceed the total student loan debt.
Site/community contribution	None
Funding source	General and/or special funds.
Selection criteria	Applicants must: ▪ Be a practitioner from list of eligible disciplines ▪ Have a license to practice or be eligible for licensure to practice in Virginia ▪ Be in good standing with the Virginia licensing boards ▪ Have a valid employment contract or offer of employment from an eligible practice site Applications will be prioritized based upon mental HPSA scores and MUA scores of the practice site.
Tax liability	Tax exempt

Rationale

Administering Agency

Item 288(B) requires that VDH be the administering agency for the loan repayment program. VDH's Office of Health Equity operates as the state offices of Primary Care, Rural Health, and Minority Health. As such, one of the many important functions of the office is to address access to health care services and providers. The office currently has administrative responsibility for four Virginia nursing scholarship and loan repayment programs, the Virginia physician assistant scholarship program, the Virginia medical scholarship program, the Virginia Physician Loan Repayment Program, and the Virginia State Loan Repayment Program. The office also provides administrative support to several federal agencies for the Virginia Conrad 30 J-1 Visa Waiver program and the National Health Service Corp program. The staff is well trained and familiar with the various idiosyncrasies of administering incentive programs seek to attract and retain health providers of all disciplines to the Commonwealth.

Purpose of program

The purpose of the Virginia Behavioral Health Loan Repayment Collaborative plan is to provide support for service and create access to behavioral health care by arranging for assets within communities that are underserved. The program will ultimately increase the number of Virginia behavioral health practitioners by way of an educational loan repayment incentive that "complements and coordinates with existing efforts to recruit and retain Virginia Behavioral health practitioners." (2016 Budget Bill, Item 288(B))

Part time considered

The stakeholder group felt there was benefit to receiving part-time behavioral health service, if full-time behavioral health services were not available. "Full-time" service is defined as a minimum of 40 hours per week, for a minimum 45 weeks per year. "Part-time" service is defined as a minimum of 20 hours per week (not to exceed 39 hours per week) for a minimum 45 weeks per year. This standard is consistent with service standards for the National Health Service Corps programs and the HRSA State Loan Repayment Grant Program currently administered in Virginia.

Who Can Apply

Eligible practitioners are as defined by Item 288(B) and include: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, child and adolescent psychiatrists, and psychiatric nurse practitioners. Based upon available state and national behavioral health workforce data, the stakeholder group respectfully recommends the addition of "psychiatrists" to the list of eligible practitioners. There are significant shortages and substantial challenges in recruiting psychiatric professionals to high need and underserved areas throughout the Commonwealth, some of these areas have not had available psychiatric care for years and the addition of one or more psychiatrists in these areas would prove highly beneficial.

Tier System

A tiered system approach was selected by the stakeholder group to directly address the distinct recruitment challenges and workforce gaps amongst behavioral health professions. There are recruitment challenges and significant need for all behavioral health professionals in Virginia; however, the time to fill vacancies and the

cost of recruitment can be substantially higher when trying to hire Tier I providers. The tiered system allows for a slight distinction between these providers to provide adequate incentive. The tiers were divided as follows:

Tier I providers: child and adolescent psychiatrists, psychiatric nurse practitioners, and *psychiatrists**

Tier II providers: licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, and child and adolescent psychiatrists

**The stakeholder group recommends inclusion of psychiatrists as well*

Who reviews application and determines eligibility

VDH will perform this function as part of its administering duties. The agency is well qualified to perform these duties given the large portfolio of other workforce incentive programs for which it carries out administrative functions as detailed under "*Administrative Agency*."

Advisory Body

The program will have an Advisory Board, composed of representatives from the collaborative stakeholder organizations and community members. This Advisory Board will meet annually and provide guidance regarding effective outreach and feedback on both programmatic processes and impact. VDH will also provide an annual report to the Advisory Board on successes, challenges and opportunities with the program.

Payoff Commitment

For each eligible year of service provided, the practitioner will receive a year of applicable loan repayment award in return. Loan repayment checks will be submitted at the end of each year of service. Payments will be made directly to the lender.

Minimum Participation Commitment

Item 288 (B) requires a minimum of two years of practice for the behavioral health provider. Therefore, the initial and minimum requirement of participation is two years, with opportunity for one year renewals in the third and fourth years. This is also consistent with long established programs such as the State Loan Repayment Grant Program currently utilized in Virginia.

Minimum Clinical Practice Two years (Item 288 (B) - line 14).

Location of Practice Site

Item 288 (B) requires preference be given to applicants choosing to practice in underserved areas. The stakeholder group felt strongly that these underserved areas were well covered by providing preference for applicants choosing to practice in a federally designated mental HPSA or Medically Underserved Areas (MUA) within the Commonwealth. It should be noted that rural practices were not explicitly named because all rural areas as defined by the federal Office of Management and Budget are also designated mental HPSAs or MUAs.

Type of Practice eligible

As prescribed by Item 288 (B), Virginia's CSBs, behavioral health authorities, state mental health facilities, free clinics, federally qualified health centers and other similar health safety net organizations are the eligible practice types for this program.

Separate Site Application

The workgroup agreed that utilizing a preference for practice sites located in a mental HPSA or MUA eliminated the need for a practice site to submit a separate application.

Maximum

The award may go up to 25% of student loan debt, not to exceed $30,000 per year for Tier I professionals or $20,000 per year for Tier II professionals. In no instance shall the loan repayment exceed the total student loan debt. This loan repayment maximum dollar limit mirrors that utilized by the National Health Service Corps program. However, it improves upon the use of a blanket loan repayment dollar amount by making the amount of loan repayment received more equitably distributed and providing incentive to the provider to participate and practice in Virginia for a full four years so that their student loan debt may be totally paid off.

Site /Community Contribution

No match contribution from practice sites or the community is required. The workgroup discussed that such requirements have historically deterred participation by some practice sites within the safety net community due to a lack of fiscal resources. There is also demonstrable trend evidence from the Virginia SLRP program that the site match leads to lower participation rates.

Funding Source

General Funds will be the primary source of funding for the program.

Selection Criteria

These criteria are modeled after criteria from other support for service programs administered in Virginia and by the federal government. These criteria are felt to support the purpose of the program of attracting qualified health practitioners to high need and underserved communities across the Commonwealth.

Tax Liability

Loan repayment awards shall be tax exempt. This is consistent with other state and federal loan repayment programs.

Estimated Fiscal Impact

Program costs:

The stakeholder group proposes that sufficient funding be allotted for the program to fund the first cohort of loan repayment participants for their two year initial agreement. Depending on the amount of new funds appropriated, varying numbers of awards could be made. Several options are presented below. The workgroup recommends that funds be appropriated for loan repayments to support the recruitment and retention for *at least* 30 behavioral health providers across the Commonwealth. This equates to a total of *at least* 108,000 additional hours of behavioral health care services in Virginia's underserved communities over the next two years. The anticipated fiscal impact for the biennium is $1,585,080. The cost estimates are attributed to actual program costs and administrative costs.

	Estimated # Tier 1 Providers	Estimated # Tier 2 Providers	Total Estimated # of Providers (Tier 1 + Tier 2)
Estimated # providers funded/year	15	15	30
Maximum award amount/year	$ 30,000.00	$ 20,000.00	
Total for one year of service	$ 450,000.00	$ 300,000.00	$ 750,000.00
Total for two years of service	$ 900,000.00	$ 600,000.00	$ 1,500,000.00

Alternative program cost estimates:

	Tier 1 Only	Tier 2 Only	Total (Tier 1 + Tier 2)
Estimated # providers funded/year	12	12	24
Maximum award amount	$ 30,000.00	$ 20,000.00	
Total for one year of service	$ 360,000.00	$ 240,000.00	$ 600,000.00
Total for two years of service	$ 720,000.00	$ 80,000.00	$ 1,200,000.00

	Tier 1 Only	Tier 2 Only	Total (Tier 1 + Tier 2)
Estimated # providers funded/year	9	9	18
Maximum award amount	$ 30,000.00	$ 20,000.00	
Total for one year of service	$ 270,000.00	$ 180,000.00	$ 450,000.00
Total for two years of service	$ 540,000.00	$ 360,000.00	$ 900,000.00

	Tier 1 Only	Tier 2 Only	Total (Tier 1 + Tier 2)
Estimated # providers funded/year	6	6	12
Maximum award amount	$ 30,000.00	$ 20,000.00	
Total for one year of service	$ 180,000.00	$ 120,000.00	$ 300,000.00
Total for two years of service	$ 360,000.00	$ 240,000.00	$ 600,000.00

Administrative Costs:

VDH Personnel Costs: No new full-time positions are anticipated. However, VDH anticipates the need for fiscal resources to carry out the administrative duties of this program

Estimated Costs: $42,540 per year

TRAVEL:		
Local (Virginia) Travel:	Local travel for statewide conferences, technical assistance and recruitment (6,000 miles @ $0.565 per mile)	**$3,390.00**
Lodging: 10 overnight stays @ $89/night for statewide and out-of-state recruitment, technical assistance and conferences		**$890.00**
Per Diem:	10 days @ $59	**$590.00**
TOTAL TRAVEL		**$4,870**
SUPPLIES:		
General office supplies including, but not limited to, 3-ring binders, post-it flags, photocopy paper, postage, and printer refill cartridges.		**$1,470.00**
TOTAL SUPPLIES:		**$1,470.00**
CONTRACTUAL:		
Staff support/ Program Supervision		**$30,500**
TOTAL CONTRACTUAL		**$30,500**
OTHER:		
Fax and Telephone		**$400.00**
Teleconference Calls		**$200.00**
Postage		**$1,000.00**
Software		**$1,500**
Annual VITA Costs - Virginia Information Technologies Agency (VITA) provides information technology support to VA state agencies, including computer operations and other costs associated with the operation of computer hardware. VITA charges a monthly fee, per employee for telecommunications services (phone & fax), computer maintenance and troubleshooting, network equipment, accessibility, and storage.		**$600**
TOTAL OTHER:		**$3,700**
ADVISORY COMMITTEE:		
Local travel for members		**$2,000**
TOTAL ADVISORY COMMITTEE:		**$2,000**
TOTAL ANNUAL BUDGET:		**$42,540**

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