

Testimony in Support of SB 649 and SB 649
House Appropriations Committee
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Good morning Chairman Haveman and members of the House Appropriations Committee. My name is Jennifer Aloff. I am a past president of the Michigan Academy of Family Physicians (MAFP) and a family physician from Midland, Michigan. I practice in my hometown in a 4-physician private practice. I am here today because I have significant concern about the burden of medical student debt and how it affects the choices graduating physicians make....choices that go on to affect access to care and the health of the people of Michigan. I can also speak personally to the challenge it presents to pay off medical student loans.

Representing over 3,800 members, the MAFP's mission is to promote excellence in health care and access to a Family Physician for all the citizens of Michigan. I am testifying today on behalf of the Academy in support of SB 648 & 649, two bills that would make common sense changes to Michigan's State Loan Repayment Program. We, at MAFP, believe the objectives of the bills align with the dual policy goals of addressing health care provider workforce challenges and increasing access to primary care.

You may already know that Michigan suffers from a shortage of primary care. There are many reasons for this shortage. Our population is aging. People are living longer with chronic illnesses, but need more intensive primary care support to manage them. Many of our primary care doctors will be retiring over the course of the next decade. Mounting regulatory requirements are putting unsustainable pressure on our solo family physicians, many of whom practice in the areas where we see the greatest need for primary care. As the Affordable Care Act is implemented, we expect that more people will have insurance coverage, but it will be more difficult for them to find primary care doctors.^{1,2}

Shortages of primary care mean that people can't get the quality of care that they need. Their care is less well coordinated, and they get less preventive care, like cancer screening. Primary care shortages also increase costs, because when people can't see primary care doctors, they are more likely to be treated in the emergency room³ and the hospital. Data consistently show that states that have more primary care doctors have fewer avoidable hospitalizations and lower Medicare hospital costs.⁴ They also have lower mortality rates and greater life expectancy.⁵ They live longer. (This relationship between primary care access and life expectancy has also been demonstrated in other studies and other contexts.)

There is wide variation in people's access to primary care, depending on where they live. In Michigan, most counties do not have enough primary care physicians. On average, rural U.S. communities have about 1,800 people for every primary care provider – far too many patients for any physician to care for well.⁶ In these small communities, family doctors don't just do routine office care. They usually care for hospitalized patients, staff emergency rooms, and deliver babies. Rural critical access hospitals can't stay open without primary care physicians, and when a hospital closes, people often abandon these communities.

Unfortunately, primary care specialties are not very popular with medical students today, in part because specialization is much more lucrative. Only about 10% of graduating medical students are interested in primary

care.⁷ Most experts say that we need about half of our students to become primary care physicians for our workforce to function well. Although nurse practitioners and physician assistants fill some of this gap, they are faced with similar economic incentives and the majority go on to subspecialize.

We have many students who are interested in primary care, but because their debt is so high, they feel that a primary care career is not really an option for them. 86% of medical students graduate with educational debt with an average debt of \$170,000.⁸ My personal debt exceeded \$150,000 to attend Michigan State University's College of Human Medicine. I am fortunate that I did not have undergraduate debt in addition; in comparison to the experiences of students today, I am the exception in this regard. While I and my family live a comfortable lifestyle it is certainly not an extravagant one. You can see how these economics could affect a student's choice of specialty in a much more lucrative field.

Loan repayment programs can change students' minds, because they believe that a primary care career is feasible. These programs give students hope, and make them feel that society is supporting their desire to serve the community.⁹ The repayment amounts for these loans should be generous, so that students understand they will make a real difference in reducing their debt.

There is an additional economic element to consider. Historically, both public and private dollars have supported the state loan repayment program, a reality that demonstrates a recognized shared investment in the community and the health of the population. We have evidence to show that the health care industry as a whole is the largest creator of jobs in Michigan, making it arguably the economic engine of our state. It is widely accepted that employers generally do not locate to areas that lack strong health care systems. Thus, it is important that policy makers approach incentive programs, like the state loan repayment program, as a robust investment in building and strengthening our communities. Indeed, if we invest in our health care workforce in a way that aligns the provider pool with population demand, we can better position these areas economically and support a healthier, thriving citizenry.

I am confident that investment in this program will pay off for our state in the long run, by moderating health care costs and improving the health of our communities.

Thank you for your time and attention to this important issue. I am happy to answer any questions you may have.

Figure 1: Life Expectancy and Primary Care Physician Density by State.⁵

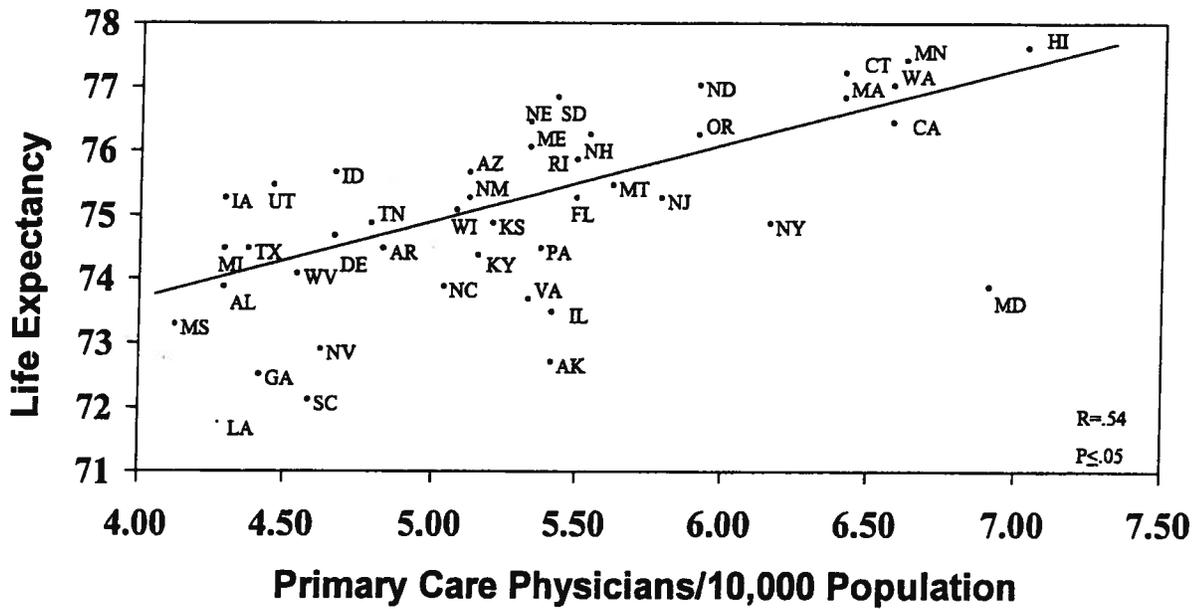


Figure 2: Percent of 1988-2000 allopathic U.S. medical graduates practicing Family Medicine in 2010, by medical school debt level and socioeconomic status of family of origin.¹⁰

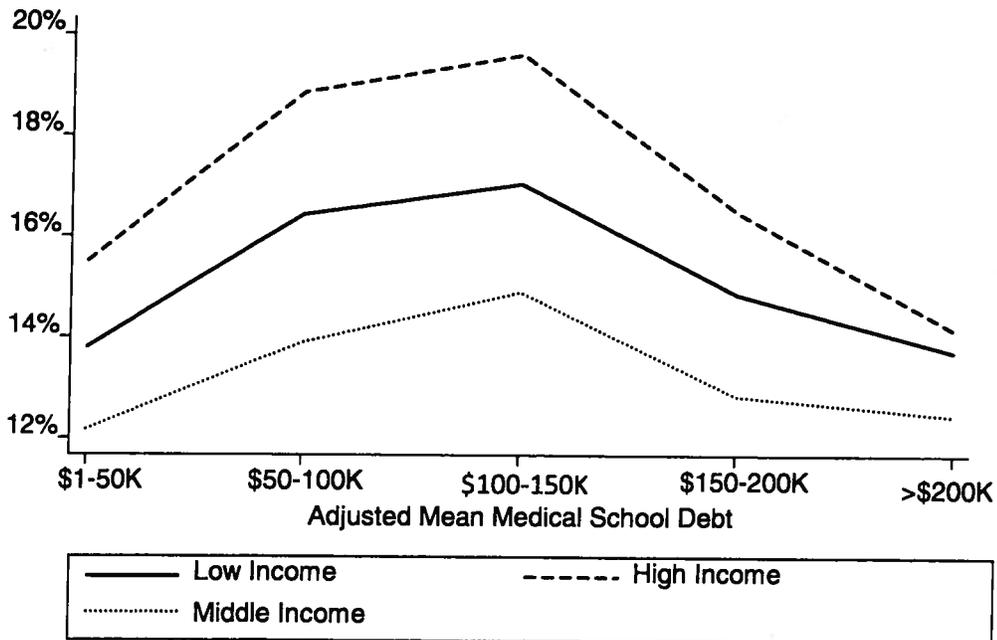
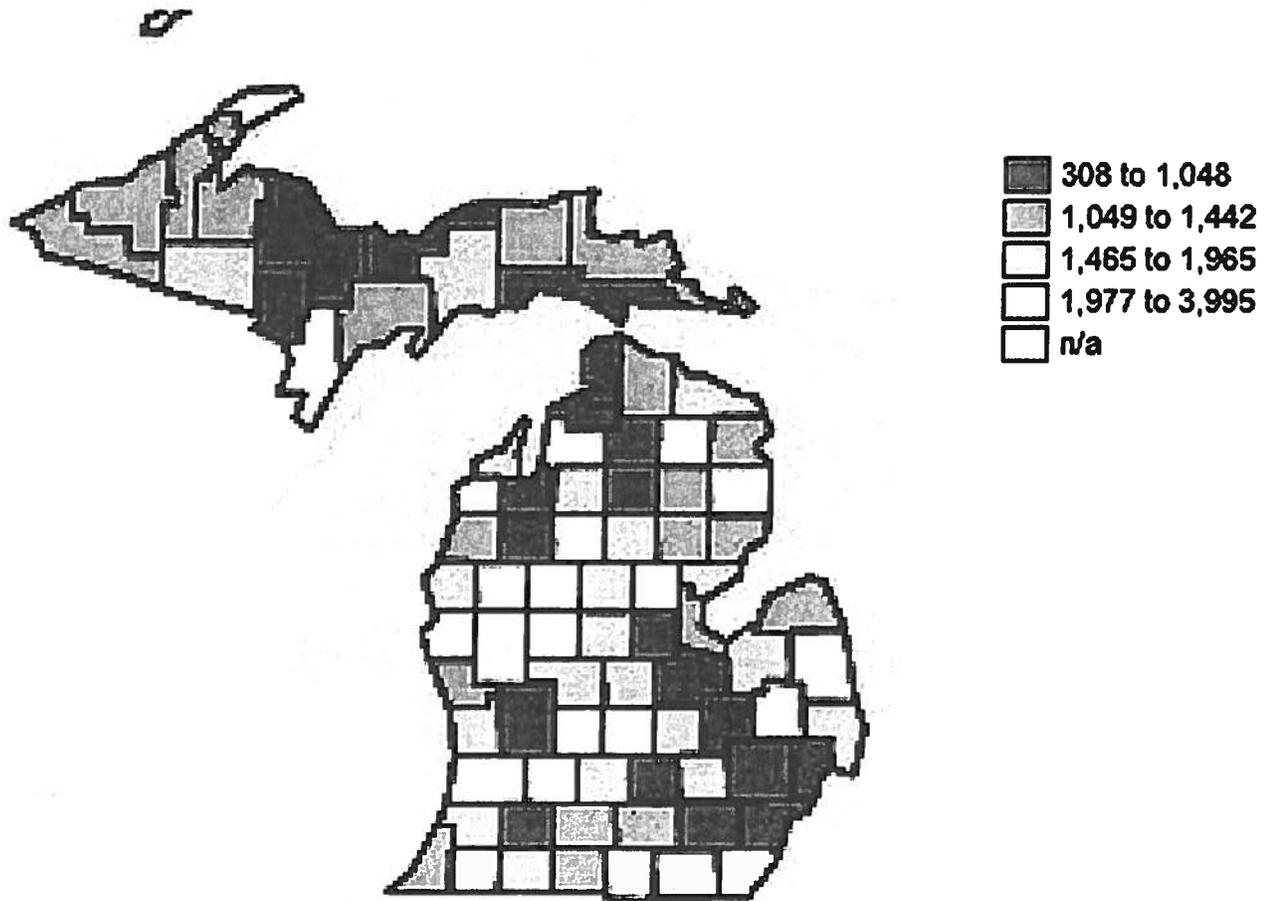


Figure 3: Population per Adult Primary Care Physicians, Michigan, 2012.⁶



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