

HF211 - 0 - "Health Professional Loan Forgiveness"

Chief Author: **Debra Kiel**
 Committee: **Health & Human Services Finance**
 Date Completed: **02/17/2015**
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	70	68	68	68	68
Total	-	70	68	68	68	68
Biennial Total			138			136

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	.5	.5	.5	.5
Total	-	.5	.5	.5	.5

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Susan Earle Date: 2/17/2015 11:35:41 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	70	68	68	68	68
Total	-	70	68	68	68	68
Biennial Total			138			136
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	70	68	68	68	68
Total	-	70	68	68	68	68
Biennial Total			138			136
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The bill adds rural mental health professionals, public health nurses, dental therapists, and advanced dental therapists to the MDH health professional education loan forgiveness program established in sec. 144.1501 and appropriates an unspecified amount from the general fund.

Assumptions

The loan forgiveness program is currently staffed by 1 FTE State Program Administrator Sr. This positions tasks include soliciting and reviewing applications, notifying and contracting with program participants, contract management, annual qualifying employment verification, and disbursement of loan forgiveness payments. This level of staffing is sufficient for the programs current volume of approximately 60 participants and the current number of provider types eligible for the program. Adding four new professions will increase the volume of applications and increase the complexity of application selection.

The current staffing level of 1 FTE is insufficient to handle the increase in eligible provider types established in the bill. The department anticipates needing an additional 0.5 FTE to support the soliciting and reviewing applications, notifying and contracting with program participants, contract management, annual qualifying employment verification, and disbursement of loan forgiveness payments support the additional activities under this legislation.

Each participant has a unique student loan situation and an individual contract with MDH. Increasing the size of the program will increase the level of resources needed to operate the program. Because the appropriation is currently blank this fiscal note does not reflect any costs associated with operating a larger program. However, we would expect to request an additional 0.5 FTE if additional funds are appropriated to increase the size of the loan forgiveness program.

A contracted external program evaluation is recommended in FY 2019 as part of the department's normal process for overseeing the program, especially with the changes in the program provided in this legislation.

Expenditure and/or Revenue Formula

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Salary and Fringe Benefits	0	56	56	56	56

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Other Operating Costs	0	7	5	5	5
Grants	0	0	0	0	0
Administrative Services	0	6	6	6	6
OR Indirect Cost	0	0	0	0	0
TOTAL EXPENSES	0	70	68	68	68

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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Date: 2/17/2015 11:33:33 AM

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