



Senate Education Committee
Neutral Testimony for SB 381
February 20, 2020

University of Kansas Medical Center

Chair Baumgardner and Members of the Committee:

Thank you for the opportunity to provide informative testimony on the Kansas Medical Student Loan (KMSL) program and the Kansas Bridging Plan (KBP). The Kansas Medical Student Loan program was established by the State of Kansas to encourage students attending the University of Kansas School of Medicine to practice primary care in areas of need in the State of Kansas. A separate fund was created to add psychiatry to KMSL in 2018. Students who are awarded KMSL receive payment of tuition as well as a monthly stipend in exchange for practicing in an underserved area. Similarly, the Kansas Bridging Plan is a loan forgiveness program available to primary care and psychiatry resident physicians in Kansas who agree to serve in rural areas of need.

For KMSL, students must complete their required coursework, receive the degree of Doctor of Medicine, obtain a license to practice medicine in Kansas and enter a primary care (family practice, general internal medicine, general pediatrics, and emergency medicine) or psychiatric residency upon graduation. KMSL recipients are awarded payment of tuition and living expenses of up to \$2,000 a month. Nine (9) monthly stipends are allocated for the 1st and 2nd years, eleven (11) monthly stipends for the 3rd years, and ten (10) monthly stipends for the 4th year of enrollment at the University of Kansas Medical Center. When the individual finishes residency, they must engage in full-time medical practice for a period of twelve months for each year the KMSL was received. They agree to serve in a community in any Kansas county, excluding those in Douglas, Johnson, Shawnee and Sedgwick counties.

Depending on availability, KMSL can be awarded retroactively. Students who did not take out the KMSL when they first enrolled as a medical student may be eligible to receive it in later years, for up to the full amount that would have been received if it had been offered as an incoming student. For each retroactive KMSL contract a student receives, one year of obligation will be required.

If any KMSL recipient fails to satisfy their service obligation, they must repay the loan within ten (10) years to the University of Kansas School of Medicine. The repayment amount must be equal to the sum of money received in tuition payments and living expenses, plus interest at the rate of 15%, from the date such money was received. The first repayment must occur 3 months

after the action or circumstances that cause the individual to fail at satisfying the obligations of the agreement.

Residents interested in the Kansas Bridging Plan must complete a one-month rural rotation during residency, complete one year of post-graduate training and be eligible for an unrestricted Kansas Medical License. Residents who are awarded KBP receive the first loan payment of \$5,000 during the second year of residency, and the second loan payment of \$5,000 during the third year of residency. The total amount received from the State for KBP is \$10,000. As part of the loan agreement, the resident must complete their residency training program and sign a Practice Commitment Agreement (Agreement) with an eligible rural healthcare organization located in any county in Kansas except those in Douglas, Johnson, Sedgwick, Shawnee, and Wyandotte counties. The organization is encouraged, but not required, to match the State's loan amount and provide at least an additional \$6,000 upon completion of residency training. Therefore, the total of both loans can be \$26,000 or more. The resident will engage in a three-year, full-time practice of medicine in that community within 90 days of completing a residency program. If a physician fails to meet the requirements of the KBP, they must repay the loan within 90 days of such failure. The amount to be repaid is equal to the money received, less credits earned, plus interest at the annual rate of 15% from the date such money was received.

If you have additional questions, please contact Kelly Whitten at (316) 303-5141 or by email at Kelly@KU.edu.