

Legislative Analysis



MENTAL HEALTH PROFESSIONALS ELIGIBLE FOR LOAN REPAYMENT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 246 as enacted
Public Act 37 of 2022
Sponsor: Sen. Curtis S. VanderWall

Analysis available at
<http://www.legislature.mi.gov>

Senate Bill 435 as enacted
Public Act 38 of 2022
Sponsor: Sen. Michael D. MacDonald

House Committee: Health Policy
Senate Committee: Health Policy and Human Services
Complete to 7-22-22

SUMMARY:

Senate Bills 246 and 435 amend the Public Health Code to add *designated mental health professionals* to those eligible in statute for loan repayment under the essential health provider repayment program, otherwise known as the Michigan State Loan Repayment Program (MSLRP).¹ The bills also would raise the maximum amount of loan repayment for which a designated professional is eligible and increase the period over which it can be paid. Finally, Senate Bill 435 would extend by three years the sunset (expiration date) for the Interstate Medical Licensure Compact.²

Designated mental health professional would mean an individual who is qualified in the area of mental illness or developmental disabilities and who is one of the following:

- A nurse
- A psychologist
- A licensed master's social worker
- A licensed professional counselor
- A marriage and family therapist

[Note: The specialties listed above that are not currently included in the part of the code that governs the MSLRP would be defined as individuals licensed under the respective portions of the code that apply to those specialties.]

Currently under section 2705 of the code, the Department of Health and Human Services (DHHS) must administer an essential health provider repayment program for designated professionals who have incurred a debt or expenses as a result of a loan taken to attend training for certain medical professions, including medical school or specified nursing programs, or as a result of providing services in a health resource shortage area. A designated professional is eligible for up to \$200,000 in total over a period of four years or more.

¹ https://www.michigan.gov/mdhhs/0,5885,7-339-71551_2945_40012---,00.html

² <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-4066-99CF832E.pdf>

Senate Bill 246 would add *mental health professional programs* to those eligible for loan repayment. It also would increase the overall eligibility amount to \$300,000 and the time period to 10 years or more.

Mental health professional program would mean an accredited program for the training of individuals to become a designated mental health professional.

MCL 333.2705

Senate Bill 435 would define “mental health professional program” as well as the specialties that would qualify under that umbrella term. It also would add a definition for “designated mental health professionals” and replace the defined term “designated nurse” with “designated advanced practice registered nurse.”

Additionally, the bill would extend until March 28, 2025, the sunset (expiration date) for the Interstate Medical Licensure Compact. The bill entering Michigan into the compact took effect March 28, 2019, with the compact itself taking effect September 24, 2019 (180 days after the effective date of the enacting bill). The compact is currently due to expire three years after the bill’s enactment, on March 28, 2022. The bill would extend it for another three years.

The compact is intended to streamline licensing requirements for physicians seeking to practice in multiple participating states.

MCL 333.2701 and 333.2711

Senate Bill 435 took effect March 23, 2022, and Senate Bill 246 will take effect 91 days after the legislature adjourns in 2022 to end the legislative session.

BACKGROUND:

The expansion of the program to include mental health professionals appears to be a codification of current practice. The description of the MSLRP on the DHHS website includes the following:³

Providers must have one of the following professional titles to be eligible for loan repayment through MSLRP. Both fully licensed and limited-licensed mental healthcare providers listed below are eligible for MSLRP. Only fully licensed mental healthcare providers are eligible for the National Health Service Corps Loan Repayment Program.

- Dentists: DDS or DMD
- Physicians: MD or DO (Family Practice, Internal Medicine, OB/GYN, Pediatrics, Geriatrics)
- Physician Assistants (Primary Care, including the same specialties as MDs and DOs)
- Nurse Practitioners (Primary Care, including the same specialties as MDs and DOs)
- Certified Nurse Midwives

³ https://www.michigan.gov/mdhhs/0,5885,7-339-71551_2945_40012-163675--,00.html

- Clinical or Counseling Psychologists (PhD/Masters)
- Licensed Professional Counselors (PhD/Masters)
- Marriage and Family Therapists (PhD/Masters)
- Psychiatric Nurse Specialists (Masters)
- Clinical Social Workers (Masters)
- Mental Health Counselors (Masters)
- Psychologists (Masters) and MSWs providing autism services

FISCAL IMPACT:

Under Senate Bills 246 and 435, the Michigan Essential Health Provider Program administered by DHHS would have revised parameters for assisting medical providers in the repayment of medical education loans in exchange for service in designated health professional shortage areas. The bills would not affect total funding available for the program, but would affect the distribution of funds to participants by allowing for an increased amount per participant, adding mental health professionals to the type of providers that may participate, and allowing for an increased length of participation. The net impact may be fewer total participants that can be supported by the program under current funding.

In FY 2019-20 the program, also known as the Michigan State Loan Repayment Program, supported 197 providers. Fiscal Year 2021-22 funding for the program is \$3.5 million Gross (\$1.4 million GF/GP). Federal grant funds must be matched by state, local, or private source funds, which may include funding from the employing entity.

Senate Bill 435, by extending the sunset on the Physician Licensure Compact, would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs. The magnitude of the impact would depend upon the future costs and revenues associated with the compact, which are presently indeterminate.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.