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Contact: Sarana Schell, (907) 269-8041, sarana.schell@alaska.gov

Susan Morgan, (907) 269-4996, susan.morgan@alaska.gov

State wins loan repayment grant to build health-care workforce

\$1.2 million in federal, state funds to aid in recruiting healthcare professionals

(Anchorage, AK) — Alaska has a new tool to address its health-care provider shortages in primary care, dental services, and behavioral health: the Alaska State Loan Repayment Program.

At the end of August, the federal Health Resources and Services Administration (HRSA) awarded Alaska a \$600,000 one-year grant for the student loan repayment assistance program to attract and keep more medical practitioners. A \$600,000 state match comes from the Alaska Mental Health Trust Authority and three Alaska community health centers, for a total of \$1.2 million for loans.

The Alaska Department of Health and Social Services hopes to accept applications for the program as soon as December.

“The overall number of care providers in Alaska is slowly growing, but many Alaskans are still not getting the care they need,” Health and Social Services Commissioner Bill Hogan said. “It’s time we joined other states that offer providers this effective incentive to stay and work in communities where they can serve Alaskans who face financial, cultural or geographic barriers to care.”

Practitioners can earn up to \$35,000 per year toward their student loans by meeting several criteria. They must work full time for at least two years for an organization federally recognized as serving an area or population with a health-care shortage. There are stiff penalties for not fulfilling the required commitment.

HRSA started its federal-state loan repayment program in 1987, and gave 24 other states \$7 million in grants last year. The program has helped participating states recruit and retain nearly 3,500 clinicians nationwide so far.

Alaska has 2.06 physicians per 1,000 residents, well below the national average of 2.38 per 1,000. Alaska’s new program aims to fund 23 practitioners in 2010.

Two solely federal loan repayment programs, through the National Health Service Corps and the Indian Health Service, have proven effective at boosting Alaska’s supply of practitioners. Alaska’s program will have greater flexibility in deciding where to award loan repayment funds, and more employers will be eligible for the incentive.

For more details on the Alaska State Loan Repayment Program, visit <http://hss.state.ak.us/dhCS/healthplanning/primarycare/loans/aslrp.htm>

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