

Testimony in Support of LD 1834,

An Act to Authorize a General Fund Bond Issue to Provide for Student Loan Debt Relief

Thursday, March 15, 2018

Joint Standing Committee on Appropriations and Financial Affairs

Senator Hamper, Representative Gattine and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs, I am Dr. Jo Ellen Linder from Falmouth and I am here today to testify in strong support of LD 1834, An Act to Authorize a General Fund Bond Issue to Provide for Student Loan Debt Relief.

I grew up in a small town in rural Iowa and had the opportunity to attend public, state sponsored undergraduate and medical colleges. Fortunately, my student debt was much less than what students need to borrow today, and I was able to pay off my student debt within ten years. When I moved to Maine in 1999, my credit history was well-established and helped by the positive experience of that student debt repayment. As you know, health profession students graduate with relatively high debt compared to other graduate students, which could deter these individuals from seeking advanced degrees in the future. Unlike other career paths, the higher debt burden of health professions training is frequently compounded by years of post-graduate training, which is required for many health professionals to practice independently. As a result, total student loan repayment often exceeds 2-3 times the amount initially borrowed.

Similar to my home State, Maine faces a shortage of healthcare professionals and this shortage presents significant challenges in our efforts to improve the health of our residents, particularly those living in small rural communities. These challenges are compounded by having the oldest population in the nation. Over the next decade, MaineHealth estimates the overall population will grow less than one percent within their service area while the number of those 65 years or older will increase by 25 percent. Senior citizens have more health care needs and require more health care professionals to care for them. Maine's physicians are in that aging population where in more than half the counties, especially the rural counties, the physician workforce today exceeds an average age of 55. The Association of American Medical Colleges projects that by 2030, the nation will face a shortage of between 40,800 and 104,900 physicians, primarily due to the higher per capita healthcare needs of seniors. While this legislation is a critical step in the right direction for certain Maine students, I urge the Legislature to examine student loan debt relief for physicians who learn out of state, and choose to practice in Maine.

Unlike my home State, Maine does not have a state-sponsored medical school. The cost of out-of-state or private medical school tuition often requires students to borrow large sums and can be a deterrent to pursuing a career in medicine. The average debt of a US medical student graduate is \$190,000 when they start post-graduate "residency" training. In 2008, Maine Medical Center (MMC) partnered with Tufts University School of Medicine (TUSM) to found a unique partnership with the following three goals:

- To address the shortage of physicians in Maine, and particularly physicians in our rural areas;
- To make available access to high quality and affordable medical education for Maine’s best and brightest students; and
- To develop and innovative curriculum focused on rural medicine and community-based education to best meet the needs of our state.

Since its inception, Maine Medical Center has provided scholarships for twenty students in each class to cover a significant portion of tuition and reducing their overall debt when they graduate. We have seen a 40% increase in applicants from Maine since the program was founded and 65% of Maine Track students call Maine “home.” To date, 27% of the Maine Track graduates complete a post-graduate residency program in Maine and this would be higher if we were able to secure federal support to expand the number of residency spots in Maine.

For the reasons above, I urge the Committee to vote Ought to Pass on LD 1834 and help address the growing healthcare worker shortage in Maine. Also, I ask the Committee to consider an amendment to delay interest accrual and repayment for healthcare professionals in graduate programs until sometime after graduation.

Thank you for your time and I would be happy to answer any questions you may have.

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