

**SRAP Grantees Mtg  
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# **Recruitment and Retention through Scholarship, Loan Repayment and Related Programs**

Donald Pathman & Thomas R. Konrad  
Cecil G. Sheps Center for Health Services Research

UNC-Chapel Hill



# Goals

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- **To discuss recruitment and retention outcomes, strengths and weaknesses of the various types of support-for-service programs**
- **To learn from data on states' many and diverse programs.**
  - **To compare student vs. post-training programs**
  - **To assess role of buy-out penalties**



# The Study

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- **“Study of State Service-Contingent Programs for Health Providers”**
  - **AHRQ (R01-HS09165); 1996-2000**
  - **Pathman DE, Taylor DH, Konrad TR, King TS, Harris T, Henderson TM, Bernstein JD, Tucker T, Crook KD, Spaulding C, Koch GG. “State scholarship, loan forgiveness, and related programs: the unheralded safety net.” JAMA 2000;284:2084-2092.**
  - **Pathman DE, Konrad TR, et al. “Medical training debt and service commitments: The rural consequences.” Journal of Rural Health 2000;16;264-72.**
  - **Pathman DE, Konrad TR, et al. “Outcomes of states’ scholarship, loan repayment and related programs for physicians.” In press.**



# State Programs Studied

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**We identified all programs that:**

- **Provide \$\$ support to MD, DO, NP, PA, CNM trainees and young practitioners**
- **Have service requirement or option in needy areas**
- **Funded by states (w/o federal support)**
- **Operating in 1996.**



# Methods: Identifying and Understanding Programs

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- **Used available compendia; PCAs; PCOs; networked**
- **Interviewed directors by phone**
- **Mailed surveys to eligible programs**
- **Collected web info and key program documents**



## Methods: Surveying Physicians

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- **29 of 48 programs old enough to have placed physicians provided names (60%)**
- **We surveyed by mail all 434 named generalist physician participants; 80.3% responded**



## Methods: Comparison Group

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- **Stratified random sample of 723 med school grads from 1988 and 1992 practicing in generalist specialties**
- **Surveyed by mail; 72.8% eligible respondents**

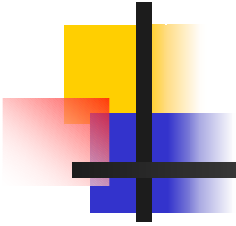


## **Findings: Programs**

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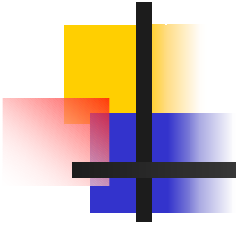
- **82 programs in 41 states as of 1996**
- **69 programs for physicians**  
**36 programs for NP/PA/CNM**





# Program Types

<b>Type</b>		<b>Who?</b>	<b>Service</b>	<b>Use of Funds</b>
<b>Scholarship</b>	<b>(29)</b>	<b>Students</b>	<b>Required</b>	<b>Training</b>
<b>Serv Opt Loan</b>	<b>(11)</b>	<b>Students</b>	<b>Optional</b>	<b>Training</b>
<b>Resident supp</b>	<b>(5)</b>	<b>Residents</b>	<b>Required</b>	<b>Variable</b>
<b>Loan repay</b>	<b>(29)</b>	<b>Practicing</b>	<b>Required</b>	<b>Training</b>
<b>Direct Finan Incentive</b>	<b>(8)</b>	<b>Practicing</b>	<b>Required</b>	<b>Anything</b>



# Field Strength, 1996

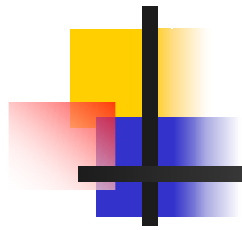
	<b>State Programs</b>	<b>NHSC Schol + LRP</b>
<b>Physicians</b>	<b>1306</b>	<b>1000</b>
<b>NP, PA, CNM</b>	<b>370</b>	<b>515</b>
<b>Totals</b>	<b>1676</b>	<b>1515</b>



# Outcomes

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- **Characteristics of service communities and patients**
- **Program service completion/default/buy-out rates**
- **Participants' satisfaction**
- **Program's retention rates**



# Service Communities and Patients

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	<b>Rural county</b>	<b>Median town/city population</b>	<b>Median town/city per capita income</b>	<b>Median county PC physicians to-population</b>	<b>Ave. % patients with Medicaid or uninsured</b>
<b>Obligated, all types</b>	<b>68.4%</b>	<b>5,094</b>	<b>\$10,813</b>	<b>78.5</b>	<b>48.5%</b>
<b>Non-Obligated</b>	<b>11.6%</b>	<b>56,129</b>	<b>\$14,090</b>	<b>118.1</b>	<b>28.5%</b>

All comparisons p<.001

- **Very few meaningful differences across program types**



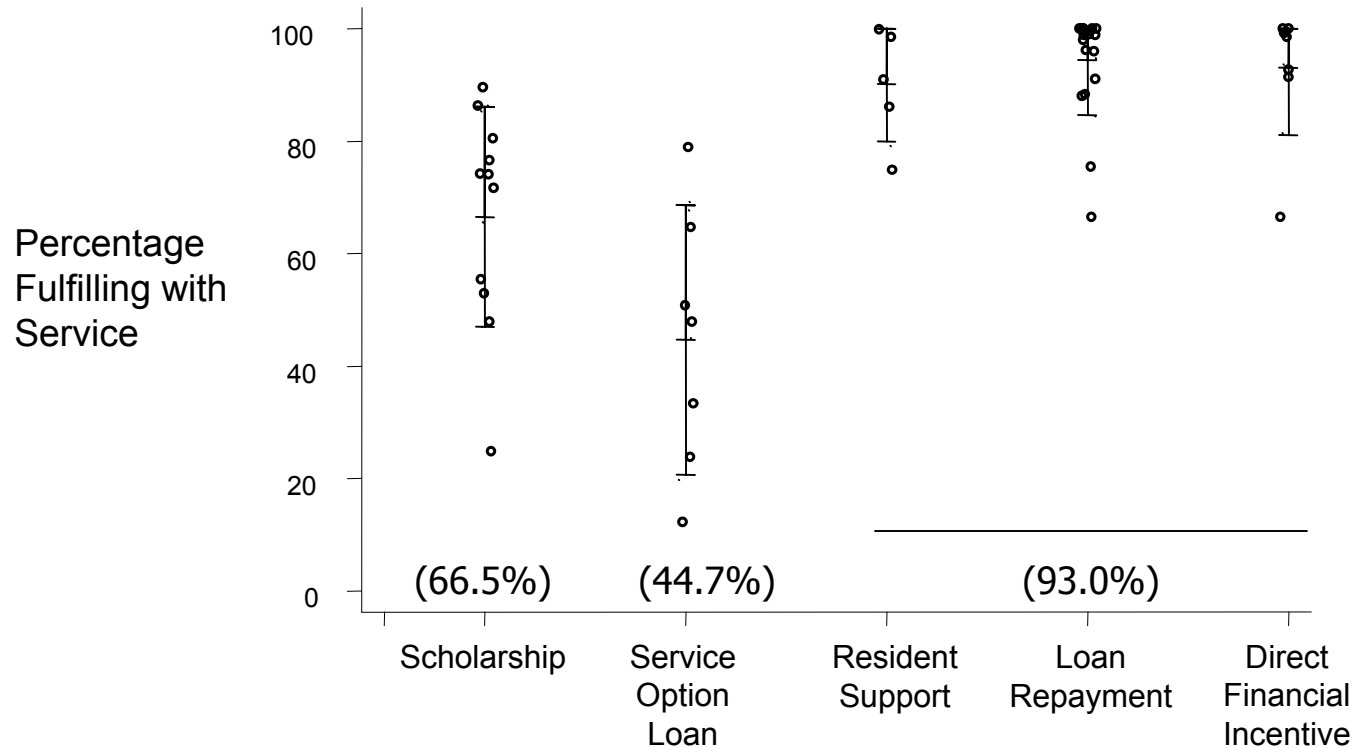
# Program Service Obligation Completion Rates

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**Which programs have best service completion rates?**

- **Scholarship**
- **Service-option loan**
- **Resident support**
- **Loan repayment**
- **Direct financial incentive**

# Programs' Service Obligation Completion Rates (n=69)



Bars denote group means +/- standard deviations;  $p < .001$



## Buy-outs vs. defaults

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Program Types	Default Rates	Buy-out Rates
Service-option Loans	6.1%	49.2%
Scholarship	6.3%	27.2%
3 Post-training types	4.7%	2.3%

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# Buy-Out Penalties and Service Completion Rates

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- Affect student programs?

**Yes! 4 student programs charging  $> 3$  times principal  
= 80.3% service completion rates**

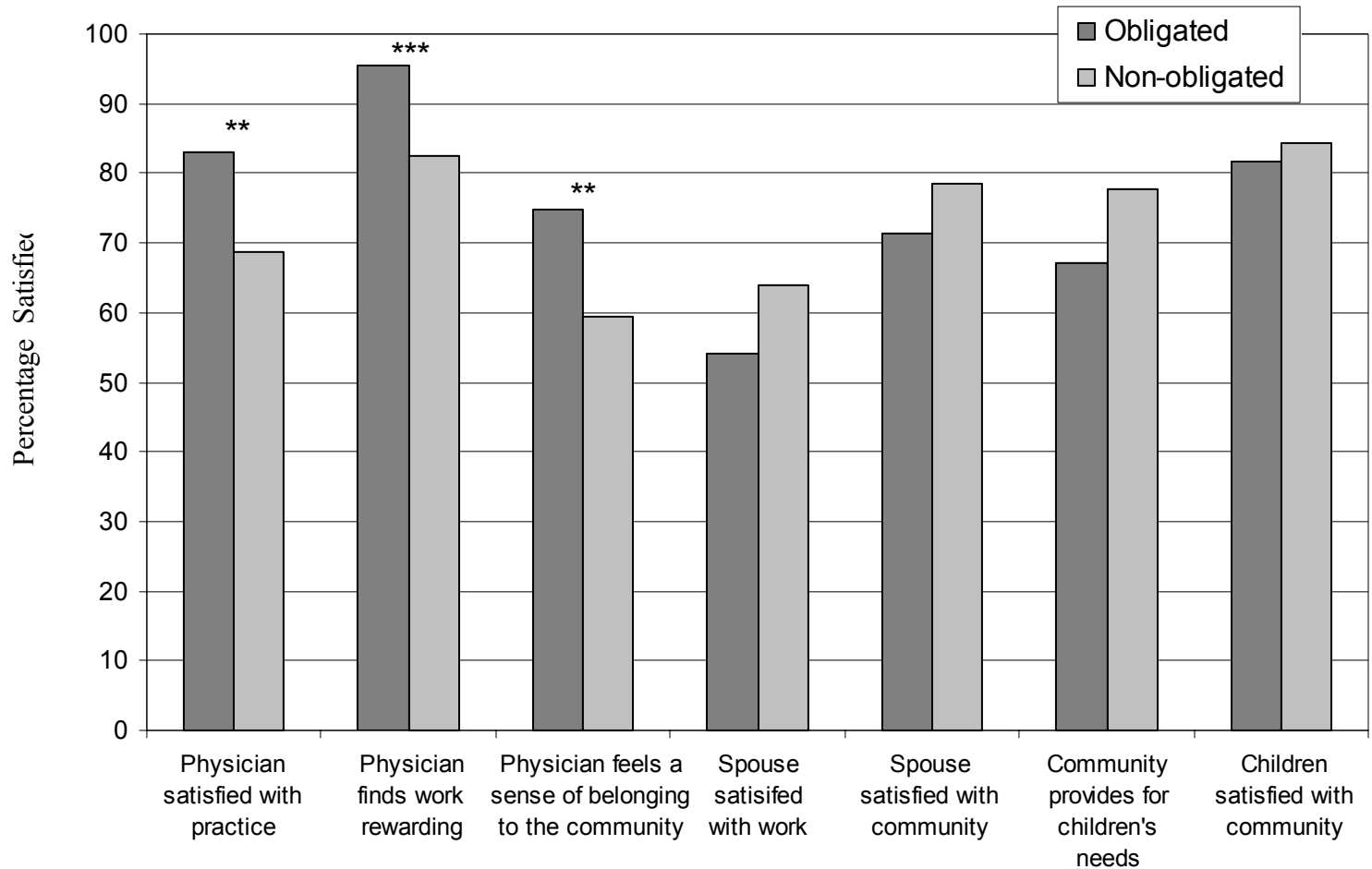
**12 student programs charging  $\leq 2 \frac{1}{2}$  times principal  
= 48.6% service completion rates**

- Affect post-training and resident programs?

**No! Only 2.3% buy-out regardless of penalty**



# Satisfaction: Obligated vs. Non-Obligated





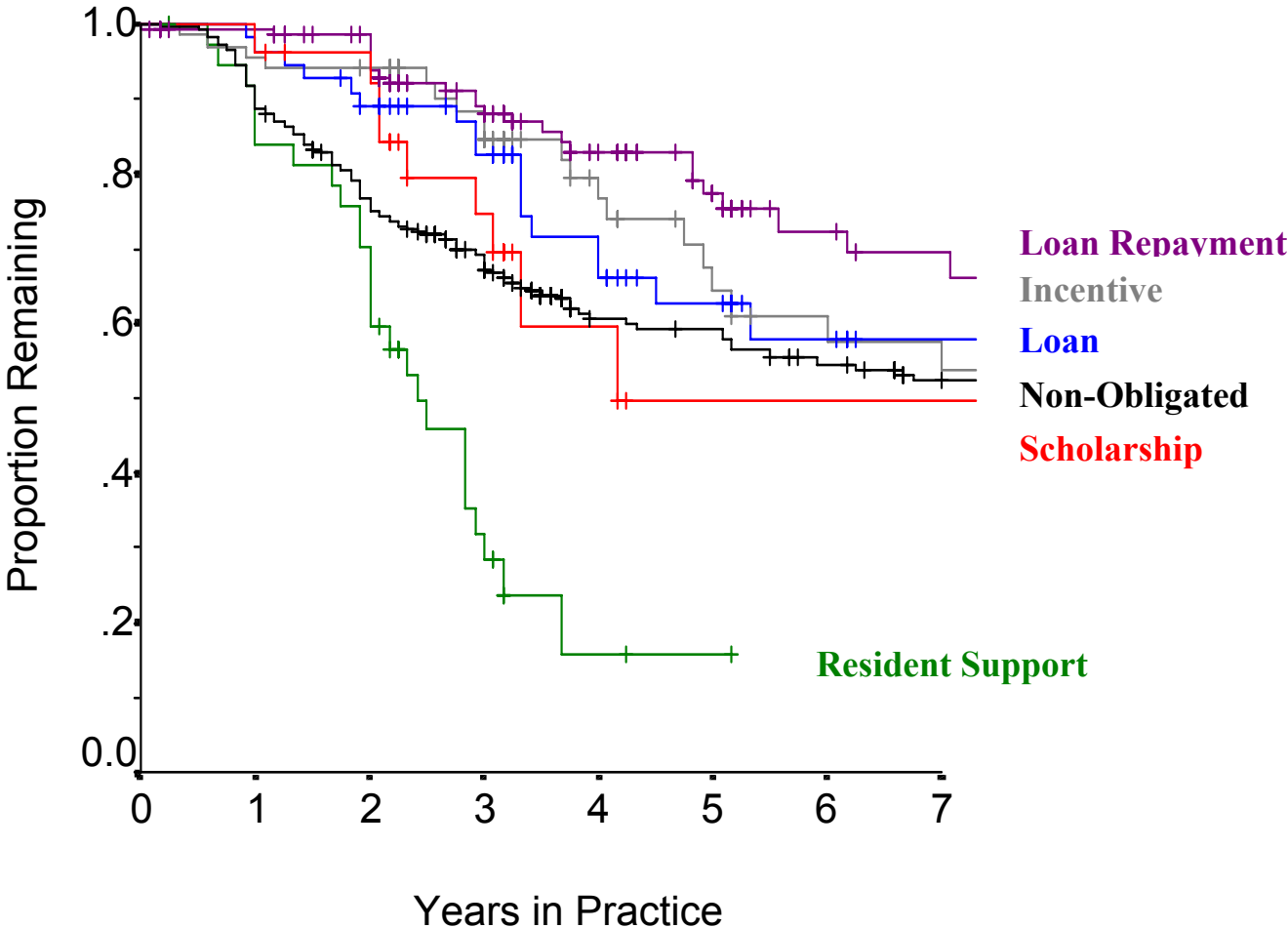
# Satisfaction Differences Across Programs

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- **Satisfaction generally comparable across program types. Except:**
  - **More participants of scholarship than other programs felt restricted in available service sites (36% vs. 19%;  $p < .01$ )**
  - **Fewer scholarship than loan repayment participants felt, in retrospect, they would definitely sign up for their program again (47% vs. 71%,  $p = .01$ )**
- **Among student programs, those with buy-out costs > simple P + I had broadly lower satisfaction scores, including only 37% willing to sign up if they had the choice again.**



# Same-Site Retention





# Effects of Buy-Out Penalties on Retention

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- Affect student programs?

Yes! > P + I yields greater likelihood of leaving at each point in time (hazard ratio 2.5;  $p = .04$ )

- Affect post-training and resident programs?

No!



# Lessons from These State Programs

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- **Loan repayment vs. scholarship programs**
  - **work in comparable settings**
  - **more loan repayers fulfill their obligations with service**
  - **loan repayers are happier in few key ways**
  - **loan repayers are longer-retained in their service sites**
- **Buy-out penalties**
  - **for student programs, high penalties curtail buy-out rates by 1/2 but at the cost of lower group morale and shorter retention**
  - **penalties have no role in loan repayment and other post-training programs; they aren't needed**



# Lessons

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- **Service-option loan programs**
  - generally excellent outcomes (service sites, satisfaction, retention)
  - low service completion rates: is this really a problem?
- **Direct financial incentive programs**
  - excellent outcomes
  - why not?
- **Resident programs**
  - too early to tell



## Lessons

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- **For programs where service is required, recruit later in practitioners' careers**
- **Foster good practitioner-community matches**
- **Build satisfaction among practitioners—you attract more flies with a teaspoon of honey than a barrel of vinegar**



**Same lessons we have learned for retaining non-obligated physicians---see handout**