



# WORKFORCE FINANCIAL ASSISTANCE

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE  
STAFF: RUSSELL FRANSDEN

BUDGET BRIEF

## SUMMARY

The Analyst’s base budget recommendation is \$40,000 for Workforce Financial Assistance in FY 2013. This recommendation is \$132,300 lower than the FY 2012 revised budget. This brief highlights some issues in Workforce Financial Assistance as well as some uses of the funding provided. The Subcommittee annually reviews each base budget to propose any changes and to vote to approve it. The Analyst recommends that the Subcommittee approve the \$40,000 base budget.

## Overview

The Legislature established the Utah Health Care Workforce Financial Assistance Program during the 2002 Legislative General Session by consolidating the Rural Physicians and Physician Assistants Grant and Scholarship Program, the Nurse Education Financial Assistance Program, and the Urban Special Population Health Care Provider Financial Assistance Program. The purpose of the combined Health Care Workforce Financial Assistance Program is to increase the number of: (1) health care professionals (physicians, physician assistants, nurses, dentists, mental health therapists, or other health care professionals) to provide primary health care services in medically underserved areas and (2) geriatric professionals (health care professionals, social worker, occupational therapist, pharmacist, physical therapist, or psychologist). This is done through educational loan repayment grants and scholarships in return for providing health care services for an obligated period of time. Funding for this program is designated as nonlapsing and is appropriated as a separate line item, in accordance with UCA 26-46-102(4).

For more detailed information please see the [Compendium of Budget Information for the 2012 General Session](http://le.utah.gov/lfa/reports/cobi2012/LI_LCA.htm) at [http://le.utah.gov/lfa/reports/cobi2012/LI\\_LCA.htm](http://le.utah.gov/lfa/reports/cobi2012/LI_LCA.htm).

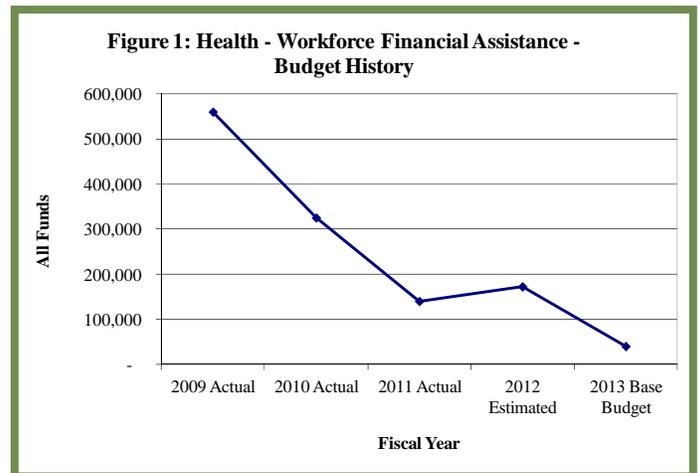
## ISSUES AND RECOMMENDATIONS

The Analyst base budget recommendation is \$40,000. The budget has nonlapsing status by statute. Nonlapsing funding is used to cover contractual service obligations that extend through the end of 2013. These contractual service obligations assist health care professionals in paying their educational loans in exchange for providing primary health care services in a medically underserved area of Utah.

## ACCOUNTABILITY DETAIL

The chart below shows the number of grants approved, classified by healthcare profession, for years 2005 through 2010. Also shown is the monetary impact of the awards. (Note: There is a delay in the approval of the awards and the payment for the educational benefits.) The goal is to maximize the number of individuals that can be recruited to provide primary care services in medically underserved areas of the state and strengthen Utah’s health care network.

Of those individuals that have completed their service obligation, 83 percent have either remained in their original service areas or within the same county where their service obligation began. Placements have been made in 26 of Utah's 29 counties, allowing those communities the opportunity for more comprehensive primary health care services. Over the course of its existence, the program has provided funding to secure the



obligation of a total of 970 years of service. In 2009, 78 care professionals at 45 employment sites met the minimum eligibility criteria. Twenty-seven, or 35% of those qualified health care professionals could be given awards with existing resources.

Utah Health Care Workforce Financial Assistance Program Grants								
Year	Dentist	Mental Health Therapist	Nurse	Physician	Physician Assistant	Geriatric Professional	Total	Funds
2005	1	6	10	10	0	0	27	\$ 794,900
2006	2	6	14	3	0	0	25	\$ 940,300
2007	3	4	12	5	6	0	30	\$ 477,600
2008	2	2	11	11	1	0	27	\$ 517,600
2009	2	4	12	3	2	0	23	\$ 560,000
2010	0	0	0	0	0	0	0	\$ -
<b>Total</b>	<b>11</b>	<b>38</b>	<b>78</b>	<b>45</b>	<b>11</b>	<b>0</b>	<b>183</b>	<b>\$ 3,290,400</b>

**End of Ongoing State Funding**

Effective FY 2010 the program no longer receives ongoing State funding and no longer qualifies for the \$1 to \$1 match for up to \$270,000 federal funds. The Department estimates non-lapsing balances of \$40,000 for FY 2013, which may be the last year of this program. Beginning in FY 2010, The Department has no longer issued new award educational loan repayment grants to health care professionals. The Department indicates that there is not an option to change the grant program to a loan program in order to continue providing some kind of incentives.

**BUDGET DETAIL**

The budget listed in the table below details the budget allocations in the base budget bill.

Health - Workforce Financial Assistance						
	FY 2011 Actual	FY 2012 Appropriated	Changes	FY 2012 Revised	Changes	FY 2013 Recommended
<b>Sources of Finance</b>						
Federal Funds	12,700	0	0	0	0	0
Beginning Nonlapsing	339,600	91,900	120,400	212,300	(172,300)	40,000
Closing Nonlapsing	(212,300)	0	(40,000)	(40,000)	40,000	0
<b>Total</b>	<b>\$140,000</b>	<b>\$91,900</b>	<b>\$80,400</b>	<b>\$172,300</b>	<b>(\$132,300)</b>	<b>\$40,000</b>
<b>Programs</b>						
Workforce Financial Assistance	140,000	91,900	80,400	172,300	(132,300)	40,000
<b>Total</b>	<b>\$140,000</b>	<b>\$91,900</b>	<b>\$80,400</b>	<b>\$172,300</b>	<b>(\$132,300)</b>	<b>\$40,000</b>
<b>Categories of Expenditure</b>						
Personnel Services	9,900	16,800	(6,200)	10,600	0	10,600
Current Expense	129,600	75,100	81,900	157,000	(130,800)	26,200
DP Current Expense	500	0	4,700	4,700	(1,500)	3,200
<b>Total</b>	<b>\$140,000</b>	<b>\$91,900</b>	<b>\$80,400</b>	<b>\$172,300</b>	<b>(\$132,300)</b>	<b>\$40,000</b>
<b>Other Data</b>						
Budgeted FTE	0.3	0.3	(0.1)	0.2	0.0	0.2
Actual FTE	0.2	0.0	0.0	0.0	0.0	0.0

**LEGISLATIVE ACTION**

No additional changes have been requested by the Governor or recommended by the Analyst.

- The Analyst recommends that the Social Services Appropriations Subcommittee approve a base budget for FY 2013 for Workforce Financial Assistance in the amount of \$40,000.