MEDICAL BOARD OF CALIFORNIA
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All Program Directors
California Post-Graduate Medical Residency Programs

Dear Colleague:

I am delighted to advise you about a new student loan repayment program which becomes law on January 1, 2003. Assembly Bill 982, co-sponsored by the Medical Board of California and carried by Assembly Member Marco Firebaugh, was passed by the Legislature and signed by Governor Davis. The new law encourages physicians and dentists to practice in underserved locations in California by authorizing a plan for repayment of their student loans in exchange for their service in a designated medically underserved area for a minimum of three years.

In sponsoring the Community Healthcare Service Expansion Act, the Medical Board recognized the necessity of improving conditions which lead to healthcare disparities in the state, including those disparities arising from cultural and linguistic barriers. At the same time, there is an acknowledged difficulty for many culturally or linguistically competent physicians to practice in underserved areas because of the heavy debt load that they carry from acquiring a medical education. I am proud that, working with the Legislature, we have taken steps to address this problem.

In addition to earning a salary, physicians will be eligible for loan repayments of up to $105,000 each, paid from specially established funds within the Medical Board. The new law requires that most participants be selected from the specialty areas of family practice, internal medicine, pediatrics, and obstetrics/gynecology; however, up to 20 percent of the participants may be selected from other specialty areas. Those participants who receive an award will work in clinics located in medically underserved areas, offering healthcare to underserved and uninsured populations.

You can see why we are so pleased about this new program and hope you also recognize the potential rewards that can be gained, both by the patients and the physicians. The enclosed brochure provides more information about the program; please distribute these copies to residents in your program who you think have the desire and calling to help California's underserved populations. If you need more copies, please contact us. Further, as part of our continued outreach to the medical schools and teaching hospitals around the state, we are prepared to visit your facility to discuss this program – and other Medical Board issues – with your staff or residents.

In advance, I thank you for your assistance in promoting this new program. While the program is still in its infancy stage, we are actively seeking financial support from healthcare foundations around the country. There is good potential that this program – the first board-sponsored loan repayment program in the country – will continue for many years, offering financial incentives to physicians who are "just getting started" and providing improved healthcare to certain rural and inner city service areas.

If you have any questions about this program, please contact Linda Whitney, the Medical Board's Chief of Legislation, at (916) 263-2389. To keep current with the Board's progress in implementing the loan repayment program, we welcome you (and all interested residents) to register your name and address at this e-mail address: MDLoan@medbd.ca.gov. You will receive periodic updates at the e-mail address from which you contacted us.

Again, I want to thank you for helping us distribute this information and for encouraging those residents you identify as qualified applicants to apply for this program. The Medical Board views the program directors in California as an integral part of the program's recruitment process; thus, we are making our first outreach to you and your colleagues. We greatly appreciate your support and your efforts in making this loan repayment program a success which can be continued for many years.

Sincerely,

Gary Gitnick, M.D.
President

Enclosure