



**Testimony by William Norbert
Governmental Affairs and Communications Manager**

in Support of L.D. 651

An Act to Fund the Maine Health Care Provider Loan Repayment Program

March 31, 2025

Joint Standing Committee on Education and Cultural Affairs

Senator Rafferty, Representative Murphy, and Distinguished Members of the Joint Standing Committee on Education and Cultural Affairs:

My name is Bill Norbert. I am the Governmental Affairs and Communications Manager at the Finance Authority of Maine (FAME). I am here to testify in support of L.D. 651, *An Act to Fund the Maine Health Care Provider Loan Repayment Program*.

FAME would like to thank Representative Murphy for sponsoring this bill to provide meaningful, ongoing funding of \$1 million annually for a program we have had the pleasure of administering since 2021.

The Maine Health Care Provider Loan Repayment Pilot Program was created by the 130th Maine Legislature with \$1 million in federal pandemic funding (ARPA and MJRP). It subsequently has received state funding through appropriations. The program is geared toward certain health care professionals to address critical workforce shortages exacerbated by the COVID-19 pandemic, including, but not limited to, the behavioral health and oral care sectors. Under the program, FAME will pay up to \$25,000 per year and, in aggregate, the lesser of \$75,000 and 50% of the recipient's outstanding loan balance beginning in November 2023.

The program has proven to be popular and competitive. The first award cycle took place in October of 2022 and resulted in the selection of 18 eligible recipients from a pool of 1,021 applications. The second award cycle occurred in September of 2024 and resulted in the selection of 78 eligible recipients from a pool of 454 applications. Pursuant to the initial authorizing law, the program was to terminate when the funds allocated by Legislature were fully expended or by December 31, 2024, whichever occurred first. However, additional funding was approved by the 131st Legislature (\$2.65 million in additional federal funds and \$2 million in additional state funds). In January of 2024, FAME received an additional \$2,602,115.96 from the state via a provision in the enacted biennial budget stipulating that any unused money from a certain account at

DPFR would be sent to FAME for use with this program. (Public Law 2023, c.3, Part C included language directing that any remaining available balance from the Small Business Health Insurance Premium Support Program be transferred to the Maine Health Care Provider Loan Repayment Fund at FAME).

There is approximately \$350,000 in remaining program funds. A third application cycle opened on February 1. Without additional funding, we expect that third cycle to absorb the remaining program funds. \$1 million in ongoing funding would translate into approximately 15-18 awards annually.

The program has proven to be popular and is helping to meet Maine's health care workforce needs. The prioritization of professions awarded is based on the following factors: (1) access to health care for the population where the applicant practices or intends to practice, such as number of vacancies within a local provider system, timeliness of appointments, and whether they or their employer accepts Medicaid; (2) monthly student debt obligation payment as a percentage of gross monthly income; (3) the need for specific health care practitioners in a given employment region; and (4) the workforce needs of Maine health care providers, with special emphasis on the following occupations:

- Nurses
- Occupational Therapists
- Certified Occupational Therapy Assistants
- Physical Therapists
- Speech Therapists
- Behavioral Health Care Workers
- Licensed Clinical Social Workers including, but not limited to, applied Behavioral Analysts and Board-Certified Behavior Analysts, and Licensed Clinical Professional Counselors
- Dental Hygienists
- Dental Therapists
- Medical Assistants
- Pharmacists
- Health Care Technicians, including, but not limited to, Respiratory Therapists, Surgical Technicians, and Imaging Technicians such as MRI Technicians and Ultra Sonographers

We fully recognize and are sensitive to the challenging budgetary situation facing the Administration and this Legislature, but the conversation regarding the positive impact of this program, to both participating students and the communities they serve, as well as the sustainability of this program, is an important one to have nonetheless.

Thank you for your consideration of the bill. I will be happy to answer any questions you have.