



**ALLEGHENY COUNTY
MEDICAL SOCIETY**

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ACMS Supports Proposed Medical Student Loan Plan

The Allegheny County Medical Society supports proposed medical school loan forgiveness legislation in an effort to remedy the physician shortage problem in Pennsylvania and its effects on public health in our commonwealth.

Medical schools and facilities in Pennsylvania train many students and residents each year. However, in 2004 only 7.8 percent of residents remained in the commonwealth to practice permanently (down from 50.5 percent in 1994). Only 3.4 percent of physicians are under the age of 35. In addition, we have an aging physician population and many are approaching retirement age.

The physician shortage is especially serious in rural Pennsylvania, where finding primary care physicians and certain specialists, such as obstetricians, is often difficult. More than 30 percent of Pennsylvanians live in rural areas. Student loan forgiveness might encourage physicians to practice in these medically underserved areas by defraying the lower compensation that physicians receive for providing medical care in rural parts of the state.

Physicians, particularly those in private practice, are similar to small businesses owners who have employees and pay for services needed to run the business. The excessive costs for mandated professional liability insurance for new physicians starting a private practice in the commonwealth is a strong deterrent for these physicians to establish a practice in the state. Moreover, reimbursements to Pennsylvania's physicians from private health insurers, Medicare and Medicaid are perilously low and do not keep pace with the growing costs of running a medical practice. Such a competitive disadvantage is the driving force behind young physicians leaving Pennsylvania for opportunities in other states.

The education path from undergraduate student to practicing physician is long and costly. Loans needed to attend a four-year medical school are in the six-figure range. Because physician payment levels in Pennsylvania are low compared to reimbursements paid to physicians in other states, recruiting and retaining medical doctors to practice in the commonwealth has become a challenge.

The Allegheny County Medical Society supports medical school loan forgiveness programs to provide an economic incentive for physicians to stay in Pennsylvania and would help to recruit physicians to practice in rural and medically underserved areas.

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The Allegheny County Medical Society has 2,500 physician members from all specialties and is dedicated to providing leadership and advocacy on healthcare issues for the community and physicians. The organization has been serving Allegheny County since 1865. For more information, please contact ACMS at 412-321-5030 or acms@acms.org.