



News Release

FOR IMMEDIATE RELEASE

NUMBER: 19-01

DATE: July 1, 2019

CONTACT: Norman Williams
(916) 440-7660
www.dhcs.ca.gov

DHCS TO PAY \$58.6 MILLION IN STUDENT LOANS FOR 247 PHYSICIANS WHO COMMIT TO SERVE MEDI-CAL PATIENTS

SACRAMENTO – Today the California Department of Health Care Services (DHCS) announced its commitment to pay \$58.6 million in student loans for 247 physicians under a new program created to expand access to care for Medi-Cal patients.

Nearly 1,300 health care providers applied to the [CalHealthCares](#) loan repayment program, which pays up to \$300,000 in debt relief in exchange for meeting certain criteria, including a patient caseload with at least 30 percent Medi-Cal patients, being in good standing with state licensing boards, and other service time obligations.

“By removing the burden of student loan debt, this program will encourage more providers to make different choices when entering the health care market and be able to provide care for the Medi-Cal population,” said DHCS Director Jennifer Kent.

The awards are intended to improve access to care for low-income patients by creating economic incentives for physicians and dentists to provide care to Medi-Cal beneficiaries. Awards for dental applicants will be announced later this summer.

The awardees will provide services to Medi-Cal patients in 39 counties throughout California. They represent 40 specialty areas of medicine including pediatrics, psychiatry and OB/GYN. Additionally, the awardees have varied practice settings, including hospitals, community clinic or Federally Qualified Health Centers, academic settings, government, group practice, and private practice.

A total of \$340 million has been allocated to the CalHealthCares program from Proposition 56 revenue. The recent announcement of awardees is the first of at least five rounds of funding.

In 2018, SB 849 established the Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Act Program and appropriated \$220 million for the loan assistance program for recently graduated physicians and dentists. An additional \$120 million was added to the program in Governor Newsom’s revised 2019-20 budget.

DHCS administers the CalHealthCares program and Physicians for a Healthy California is contracted to manage the daily activities.

CalHealthCares will accept applications for its next round of awards in January 2020.

All awardees must:

- Have an unrestricted license and be in good standing with their licensing board
- Be an active enrolled Medi-Cal provider without suspensions, disbarments or revocations; or have submitted an application to DHCS to become a Medi-Cal provider
- Have graduated from dental school, a dental/physician residency program and/or completed a fellowship within the past five years (on or after January 1, 2014)
- Not currently be participating in another loan repayment program
- Practice in California
- Have existing educational loan debt incurred while pursuing a medical or dental degree (those applying for the loan repayment program)
- Have an existing dental practice and expand and/or relocate to a targeted county (those applying for the practice support grant)
- Maintain a patient caseload of 30 percent or more Medi-Cal beneficiaries

For more information, go to <http://www.calhealthcares.org>.

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