

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 459

(Senator Middleton, *et al.*)

Education, Health, and Environmental Affairs

Health and Government Operations

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**Task Force to Review Physician Shortages in Rural Areas**

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This bill establishes a Task Force to Review Physician Shortages in Rural Areas of the State, staffed by the University of Maryland School of Medicine. The task force must report its findings and recommendations to specified legislative committees by December 1, 2008. Task force members may not receive compensation but are entitled to reimbursement for travel expenses. In addition, the bill requires the University of Maryland School of Medicine to develop a Rural Residency Track Pilot Program to place at least two medical residents in a rural residency track.

The bill takes effect June 1, 2008 and terminates June 30, 2009.

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**Fiscal Summary**

**State Effect:** Any expense reimbursements for task force members are assumed to be minimal and absorbable with existing resources. The University of Maryland should be able to provide staffing and *develop* the pilot program with existing resources. To the extent *implementation* of the pilot program is required, higher education expenditures could increase; however, a reliable estimate cannot be made at this time.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** The task force is charged with • studying the recruitment and retention of primary care physicians in rural areas of the State; • studying the funding of programs to encourage physician practice in rural areas; • studying new academic physician recruitment programs to enroll and encourage students interested in rural life and practice; • studying federal and State programs to equalize physician distribution across geographic areas; • studying financial and tax incentives for physicians who practice in rural underserved areas; • making recommendations on collaborative approaches to support and enhance the Rural Residency Track Pilot Program developed by the University of Maryland School of Medicine; and • making recommendations on ways to encourage more primary care physicians to practice in rural areas of the State.

**Current Law:** Maryland law does not specifically address health care in rural areas.

**Background:** According to the National Rural Health Association, while nearly one-fourth of the population lives in rural areas of the country, only about 10% of physicians practice there. Nationally, this explains the high number (2,157) of health professional shortage areas in rural and frontier areas, compared to 910 HPSAs in urban areas. Rural residents often travel long distances to reach a doctor.

In January 2008, the Maryland Hospital Association and MedChi, the Maryland State Medical Society, released a report showing that Maryland is 16% below the national average for the number of physicians in clinical practice and that the most severe shortages are in rural parts of the State. In addition, the report includes recommendations on ways to ease the statewide shortage. Two of those recommendations target rural areas in particular and include • strengthening H-1 visa regulations to protect hospitals and medical groups in rural areas; and • offering incentives to encourage physicians to practice in rural areas of the State.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Health and Mental Hygiene, University System of Maryland, National Rural Health Association, Maryland Hospital Association, MedChi, Department of Legislative Services

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