

CalHealthCares

News Release

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CALHEALTHCARES AWARDS \$69.4 MILLION TO 293 PROVIDERS TO HELP EXPAND MEDI-CAL ACCESS

SACRAMENTO – The California Department of Health Care Services (DHCS) announced today a new commitment to pay \$69.4 million toward student loans for 249 physicians and 44 dentists to expand health care access for Medi-Cal patients.

<u>CalHealthCares</u>, the loan repayment program, incentivizes physicians and dentists to serve Medi-Cal beneficiaries by repaying educational debt up to \$300,000 in exchange for a five-year service obligation.

There were 693 health care providers, with educational debt totaling \$172.6 million, who applied for the loan repayment program for the fiscal year (FY) 2020-21 Cohort 3 application cycle.

"These physicians and dentists have shown they plan to provide quality care to the Medi-Cal population," said Will Lightbourne, DHCS director. "We can help make that happen by easing their student debt burden."

The average student loan debt burden of a CalHealthCares applicant is more than \$360,000. Awardees received up to \$300,000 for school debt relief in exchange for meeting certain criteria, including maintaining a caseload of at least 30 percent Medi-Cal patients.

"Alleviating student debt empowers physicians and dentists to provide care to Medi-Cal beneficiaries," said Lupe Alonzo-Diaz, Physicians for a Healthy California CEO, which contracts with DHCS to manage CalHealthCares. "CalHealthCares helps to ensure all Californians, regardless of income or zip code, have access to quality health care when they need it."

The CalHealthCares program is one effort to increase the number of providers who participate in Medi-Cal, which provides health care to nearly one-third of Californians, including half of the state's children.

"Expanding access to care will ensure California's most vulnerable residents receive oral health care, which is essential to overall health," said Dr. Judee Tippett-Whyte, California Dental Association president. "Student loan debt is one of the biggest financial hurdles new dentists face, and without that burden they will be able to follow their passion of providing care for the underserved."

Of the 293 awardees:

- 63 percent are persons of color.
- 57 percent are women.
- Nearly 97 percent work in medically underserved communities.
- 75 areas of specialty medicine and five dental specialties are represented.

Today's announcement is the third of at least five rounds of funding. In total, \$340 million has been allocated to the CalHealthCares program from voter-approved (Proposition 56) tobacco tax revenue.

The next application for the CalHealthCares program will launch in early 2022, and awardees will be notified in June. For more information, visit CalHealthCares.org (#CalHealthCares on social media).

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