

## Montana Rural Physician Incentive Program (MRPIP) Surcharge Notification

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### Payment Obligation Notification - All Montana WICHE and WWAMI Medical and Osteopathic Medical Applicants

The Montana Rural Physician Incentive Program (MRPIP), authorized by the Montana Legislature in 1991 and amended in 1997, 2007, and 2017, was established to encourage physicians to practice in rural and medically underserved areas of Montana. Toward this end, the Rural Physician Incentive Trust Fund was established to facilitate payment of qualified medical educational debts of physicians who serve communities or populations that are medically underserved and where there is a demonstrated need for medical services.

As mandated under the law, the trust is funded by fees assessed to all Montana medical and osteopathic medical students supported by the State of Montana pursuant to the WICHE and WWAMI medical education programs. Therefore, as a condition of receiving state support through either the WICHE or WWAMI programs in the fields of medical and osteopathic medical, students are required to pay an annual tuition surcharge throughout the duration of their professional program. For students supported through WICHE in either medicine or osteopathic medicine, the 2018/2019 academic year fee amount will be \$5,224 for medical students and \$3,584 for osteopathic medical students. For students who enroll in the WWAMI medical program, the fee amount will be either \$5,224 or \$13,060 depending upon the contract option selected prior to enrolling in the program (please reference the WWAMI contract requirements Statement of Understanding on the following pages).

The MRPIP surcharge increases incrementally each year as the per student state support amounts increase. The MRPIP surcharge is separate from all other medical school tuition, fees and expenses and is payable separately and directly to the State of Montana by November 1st of each support year. **It is important to understand, that if you are among the students selected to receive state support through either the WICHE or WWAMI medical or osteopathic medical school programs, payment of the annual MRPIP fee will be required throughout the duration of your program; as such, you should include the fee in your financial aid plans and requests.**

Under the current law, physicians choosing to serve communities or populations that are medically underserved, may apply to the Board of Regents for loan repayment consideration. The MRPIP program offers loan repayment benefits of up to \$150,000 over a five-year service period (or proportionally reduced benefits for shorter service periods) for participating physicians. MRPIP applicants who paid the tuition surcharge while participating in the WICHE or WWAMI medical programs are given preference in participation over other applicants.

More information regarding the Montana Rural Physician Incentive Program can be found on the web at: <http://mus.edu/Prepare/Pay/Loans/MRPIP.asp> . If you have any questions regarding the annual MRPIP surcharge or the Montana Rural Physician Incentive Program, please contact Laurie Tobol at (406) 449-9153 or via email at: [ltobol@montana.edu](mailto:ltobol@montana.edu) .

## Statement of Understanding

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### WWAMI Program Contract Requirements – Effective with the AY 2018/2019 Montana WWAMI Entering Class (E 2018)

The 2017 Montana Legislature passed SB 341 which established a new law requiring contracts for participation in the Montana WWAMI program. As a result, all Montana medical students entering the WWAMI program beginning with academic year 2018/2019 and forward will be required to enter into a contract with the State of Montana specifying whether or not they will commit to enter active full-time medical practice in Montana for a minimum period of 3 years within 1 year of completing their professional medical training. This contract will represent a binding agreement and must be entered into before a student can confirm their enrollment in the WWAMI program. The new law also revised the fees paid into the Montana Rural Physician Incentive Program (MRPIP) as established in §20-26-1502, MCA based on a student's decision to return to Montana to practice medicine. Under this revision, WWAMI students who contractually commit to return to the state to practice will continue to pay the established annual MRPIP fee; students who contractually select not to commit to return to the state to practice, will pay a higher MRPIP fee calculated at 2.5 times the standard annual MRPIP fee rate.

Therefore, all students applying for certification and admission into medical school during the 2017 application cycle must be prepared to make a selection between the following two contract options prior to confirming enrollment in the WWAMI program for the 2018/2019 entering class.

➤ **Option 1**

**Contractual commitment to return to the state of Montana** and enter into professional medical practice full-time for a minimum of 3 years within 1 year of completing professional medical training. Selection of this option conveys the following conditions:

- An obligation to pay the annual MRPIP fee established in §20-26-1502, MCA at the standard rate throughout medical school (total of 4 years);
  - Example – the current standard MRPIP fee is \$5,224/year; a student committing to return to practice will pay approximately \$20,896 total over 4 years in MRPIP fees (based on current rates).
- An obligation to return to Montana and commence full-time professional medical practice within 1 year of completing professional medical training and to practice medicine full-time for a minimum of 3 years;
  - Residency in a family medicine residency program in Montana may be credited toward the practice requirement at a rate of one-third year for each year of service in the residency program.
- Failure to honor the contractual commitment to return to Montana and enter into full-time professional medical practice for the full 3-year period within 1 year of completing professional medical training, will trigger a conversion of the full state support paid on a student's behalf while participating in the WWAMI program into a loan to be repaid to the state;
  - Repayment of the state support loan will commence 1 year from the student's completion of professional medical training and must be repaid over a period not to exceed 10 years. Interest accrual on the loan will commence at the time of conversion at a rate equal to the annual federal Stafford loan rate; this rate will be adjusted annually and will not exceed 8%.

➤ Option 2

Contractual decision not to commit to return to the state of Montana and enter into professional medical practice. Selection of this option conveys the following condition:

- An obligation to pay the annual MRPIP fee established in §20-26-1502, MCA at 2.5 times the standard rate throughout medical school (total of 4 years);
  - Example – the current standard MRPIP fee is \$5,224/year; calculated at 2.5 times the standard rate, a student who decides not to commit to return to practice will pay approximately \$13,060/year or a total of \$52,240 over 4 years in MRPIP fees (based on current rates).

Since the new law establishes a binding contract as a condition of participation in the Montana WWAMI medical program starting with the AY 2018/2019 entering class, it is important to fully understand the requirements clearly before making your medical school enrollment decisions. Please acknowledge your understanding of these requirements by completing and signing the statement below. If you have any questions regarding the requirements before completing the *Statement of Understanding*, please contact Laurie Tobol directly at (406) 449-9153 for further clarification.

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*As a prospective Montana medical school applicant, I understand that if I am accepted into the Montana WWAMI medical program for the AY 2018/2019 entering class, prior to confirming my enrollment, I will be required to enter into a binding contract with the State of Montana specifying whether or not I will commit to return to the state and enter into active full-time professional practice in Montana for a minimum period of 3 years within 1 year of completing my professional medical training. Furthermore, I understand that my decision to commit or not commit to return to the state to practice will determine the rate at which I must pay the annual MRPIP fee established in §20-26-1502, MCA.*

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Name (Please Print)

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Email Address

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Signature

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Date