



# Improving Healthcare Access in Rural Minnesota

## STRATEGY OVERVIEW AND FINANCIAL INVESTMENT

Rural America is experiencing a healthcare access crisis that needs intervention now. Twenty-percent of American residents live in rural areas, **but only 11% of physicians practice in rural areas.** In Minnesota, the median age of physicians practicing in rural Minnesota is 58, and **one-in-three intend to leave the profession within five years.** Research shows that medical students who come from rural areas are more likely to practice in rural areas, and those who receive training in a rural area are three-times more likely to practice in a rural area. However, **only 4% of incoming medical school students come from rural areas.** Together, we can change this.

## COMMITMENT TO OUR RURAL COMMUNITIES

CentraCare is committed to rectifying this access disparity for rural Minnesotans. CentraCare will commit financial and non-financial resources, raise philanthropic funds through our communities, and respectfully asks for public support. This includes funding support for four initiatives:

### 1) DEVELOP A MEDICAL SCHOOL CAMPUS

- We aim to develop a four-year medical school campus in St. Cloud at a CentraCare facility, in partnership with the University of Minnesota Medical School.
- We will educate 20-24 students per academic year starting in 2025.
- We project the cost of educating these medical students to average \$5.5 million per year, which will exceed annual tuition of \$3.5 million by \$2.0 million, on average, over a ten-year period.
- **Request:** We respectfully ask for a one-year appropriation of \$20 million, with the ability to spend the funding over 10 years to cover the shortfall. CentraCare is committed to funding any ongoing shortfall in the succeeding years through CentraCare's financial resources.

## 2) DEVELOP A RESIDENCY PROGRAM

Once a student graduates from medical school, they must train at a health system for multiple years before they become a licensed physician. CentraCare is committed to expanding its residency training program to accommodate the additional graduates from the new medical school campus.

- We will expand our program from the current eighteen residents to more than fifty residents.
- The costs of training these residents, including the salaries & benefits provided to the residents, exceeds the funding we receive through direct graduate medical education (GME) and Minnesota's medical education & research costs (MERC).
- Training costs and residents' compensation costs are projected to average \$6.1 million per year over the next ten years, while GME and MERC are projected to average only \$3.9 million, resulting in an annual funding shortfall of \$2.2 million.
- **Request:** We respectfully ask for a one-time appropriation of \$22 million, with the ability to spend the funding over 10 years to cover the shortfall. CentraCare is committed to funding any ongoing shortfall in the succeeding years through CentraCare's financial resources.

## 3) PROVIDE STUDENT AND GRADUATE FINANCIAL SUPPORT

To encourage prospective students from rural areas and underrepresented groups to consider a career in healthcare, scholarships should be available to lessen the financial burden for the prospective students and their families. Similarly, new physicians are often burdened by significant levels of debt and are incited to seek employment in specialties or geographic locations in which they can maximize their compensation to pay off their loans.

- We will develop creative programs, such as loan forgiveness for those who commit to practicing in rural Minnesota, to help incent new physicians to practice in rural Minnesota.
- **Request:** We respectfully ask for a one-time appropriation of \$20 million, with the ability to spend the funding over 10 years to provide full financial support for 50% of the new medical school graduates, or some level of support for all medical school graduates. (CentraCare will seek philanthropic support from our communities to fund these initiatives for succeeding graduating classes after year 10.)

## 4) RURAL-FOCUSED RESEARCH INSTITUTE

CentraCare serves over 900,000 rural Minnesotans. The healthcare needs of rural residents are often different than their urban counterparts. That's why CentraCare, in partnership with the University of Minnesota Medical School, is committed to creating a Rural Health Research Institute located at CentraCare.

- We will conduct research specific to bettering the health of rural residents.
- **Request:** We respectfully ask for a one-time appropriation of \$10 million, with the ability to spend the funding over 10 years to fund the administrative and support needs to develop the Institute. CentraCare will utilize its financial resources and seek philanthropic support from our communities to fund these initiatives in succeeding years.

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For more information: [www.ruralhealtheducationmn.com](http://www.ruralhealtheducationmn.com)

