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OCTOBER 13, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have approved H.R. 5546, the "Health Professions Education Assistance Act of 1976," which will materially assist in insuring that all Americans throughout the country will have sufficient access to physicians and dentists. Last year the Administration submitted to Congress a legislative proposal based on findings which showed that while there was no longer a shortage in the total number of physicians in the United States, there were alarming signs that this country was facing two growing problems with respect to these practitioners. There are not enough doctors in rural and inner city areas, and there is a continuing decline in the number of doctors practicing primary care, i.e., the problem of specialty maldistribution.

I am pleased that the bill specifically addresses those issues which we identified as being of greatest concern. Although the bill contains some undesirable features, I believe that, on balance, it represents a definite step toward improving health care delivery, and, accordingly, warrants my signature.

There are several provisions of this legislation which will be instrumental in solving the problems of geographic and specialty maldistribution. The bill continues and expands a scholarship program which will provide individuals with financial assistance to attend medical school. In exchange for these scholarships, each recipient will be required to serve in a health manpower shortage area for a period of at least two years. Coupled with this scholarship program, the bill authorizes the establishment of a Federal program of insured loans -- a proposal I have supported -- to assist health professions students. This program virtually assures that no individual will be denied a medical education for financial reasons. Also the bill establishes a program of special assistance to disadvantaged students in an effort to equalize opportunities among all individuals who wish to become health professionals.

In order to deal with the problem of specialty maldistribution and increase the number of doctors who deliver primary care, the bill authorizes the continuation of the existing program of financial support to health professions schools through capitation grants. However, a significant new condition is attached to the receipt of these grants. Medical schools would be required to provide annually an increasing percentage of residency positions for individuals in primary care specialties (i.e., pediatrics, internal medicine and family medicine).

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The bill authorizes funding for numerous special projects relating to the education and training of physicians and allied health personnel. Special grants are authorized for programs in family medicine and the general practice of dentistry. In addition, grants for programs for the training of physician extenders and expanded function dental auxiliaries were authorized. Such programs are designed to enhance the overall capacity of physicians and dentists to deliver health care.

Finally, the bill revises and extends the existing National Health Service Corps Program -- a program which has made significant strides in alleviating the problem of inaccessibility to health care services in medically underserved areas. This program currently has more than 600 professionals working in shortage areas. It is estimated that by next year, this number will grow to almost 700. And, with the authorizing legislation before me now, we expect the capabilities of this program to increase dramatically during the following three years.

As I noted, however, the bill is not without some defects. Because I am particularly concerned about the potential impact of some of these troublesome provisions, I intend to submit legislative recommendations to remedy these problems as soon as the Congress returns.

Primarily, these concerns relate to the levels of spending authorized by the legislation, provisions which deal with medical school admission requirements for Americans returning from foreign medical schools, and payback conditions for students who do not fulfill their obligations under the National Health Service Corps scholarship program. I am convinced that the authorization levels attached to this program are excessive. I believe that the desired results can be attained at a much lower cost. I particularly object to the provision which creates an automatic funding "trigger" for the scholarship program and which penalizes other programs authorized in the bill if certain scholarship funding levels are not met. Not only does this provision impose unwarranted sanctions, but it distorts the entire Congressional appropriations process.

Furthermore, I have reservations about the capitation condition which requires medical schools to accept a certain number of American citizens who have been students in foreign medical schools and who meet certain criteria. Not only does this requirement potentially create administrative problems, but, equally as important, it undermines our medical schools' admission policies by imposing Federal law to override an individual school's admission criteria.

Finally, I object to the unduly harsh penalties assigned to those scholarship recipients who fail to fulfill their service obligation in the National Health Service Corps. With respect to these people, the bill requires them to pay back three times the amount of the scholarship, plus interest

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(with adjustment for any portion of a service obligation performed), within one year of the breach of this obligation. In my view, a penalty of twice the amount provided, plus interest, would be more than sufficient.

As I indicated earlier, I plan to recommend action to remedy these problems as soon as Congress reconvenes. Despite the drawbacks of the bill, however, I believe this legislation is necessary. Many of the programs which are contained in this bill have been without authorizing legislation since June 1974. Furthermore, the bill addresses the important problems which we identified last year. In weighing all of these factors, I believe that it is in the best interest of the American people to sign this measure into law.

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