Physician Tax Deduction Program, Recommendation #1

**Background:** Georgia's primary care shortages are well documented; it is imperative that the training of medical students, physician assistant students, and nurse practitioner students be secured in the state as these three disciplines form the core primary care workforce. As programs have been expanded, the need for community based faculty (CBF) preceptors to provide significant education in local communities for these students has grown exponentially.

Off-shore and out-of-state medical schools are using Georgia CBF and paying them +/- $1500 per rotation. Recently, Trinity Medical School in the Caribbean announced it would begin paying Georgia CBF preceptors $500/week to take their medical students. Rather than enter into a bidding war with these other players, Georgia elected to pass legislation in 2014 to provide tax deductions as a reward and recognition for the uncompensated service CBF are providing to support Georgia's primary care workforce education and training needs.

**RECOMMENDATION #1:** Provide language amendments to adjust eligible clerkship / rotations and medical student years covered.

**Rationale and Background for recommendation:**
- The recently enacted legislation included language based on an erroneous assumption:
  - Required rotations were presumed to be the same across all programs. This is not true and has created unique and unintended consequences. These include challenges with required clerkships not covered by the law and the reluctance of those providers to continue to provide their services without acknowledgement.

**CHANGE REQUESTED:**

**SECTION 2-1.**

Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income for Georgia income tax purposes, is amended by adding a new paragraph to subsection (a) to read as follows:

"(13.2)(A) An amount equal to $1,000.00 for any physician who served as the community based faculty physician for a required medical clerkship provided by community based faculty.

(B) An amount equal to $1,000.00 for any physician who served as the community based faculty physician for a required physician assistant clerkship provided by community based faculty.

(C) An amount equal to $1,000.00 for any physician who served as the community based faculty physician for a required nurse practitioner clerkship provided by community based faculty.

(D) As used in this paragraph, the term:
  (i) 'Community based faculty physician' means a non-compensated physician who provides a minimum of three and a maximum of ten required clerkships within a calendar year.

  (ii) 'Required medical student clerkship' 'required physician assistant clerkship,' or 'required nurse practitioner clerkship' means a clerkship required in the educational program curriculum for a student enrolled in a Georgia medical school, a Georgia physician assistant school or program, or a Georgia nurse practitioner school or program, and who completes a minimum of 160 hours of community based instruction in areas defined by each school or program as a 'required' clerkship, under the guidance of a community based faculty physician.

(E) The state-wide Area Health Education Centers Program Office at Georgia Regents University shall administer the program and certify rotations for the department.

(F) This paragraph shall apply to all taxable years beginning on or after January 1, 57 2014;"