

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1633 Session of
1991

INTRODUCED BY D. R. WRIGHT, DeWEESE, COLE, HALUSKA, LLOYD,
HARPER, E. Z. TAYLOR, TIGUE, COY, STABACK, DEMPSEY, KUKOVICH,
HANNA, JOSEPHS, ARGALL, BOWLEY, TRICH, WILLIAMS, NOYE,
FAIRCHILD, BUSH, MIHALICH, PISTELLA, HASAY, CLARK, TRELLO,
MERRY, STEIGHNER, JOHNSON, PESCI, RUDY, DERMODY, TULLI,
JAROLIN, BILLOW, TANGRETTI, KRUSZEWSKI, VANCE, BELARDI AND
CARONE, JUNE 11, 1991

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, JUNE 11, 1991

AN ACT

1 Establishing the Health Care Professional Loan Repayment
2 Program; providing for its administration; conferring powers
3 and duties on the Department of Health; and making an
4 appropriation.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Health Care
9 Professional Loan Repayment Program Act.

10 Section 2. Declaration of policy.

11 The General Assembly finds and declares as follows:

12 (1) The health care of economically disadvantaged rural
13 citizens of this Commonwealth is adversely affected by the
14 limited availability of professional medical services.

15 (2) Rural areas of this Commonwealth find it more
16 difficult to attract and retain health care professionals.

(3) A program providing for the repayment of medical education loans incurred by health care students in return for a commitment to provide professional medical services to citizens of rural counties would be beneficial to the Commonwealth, its citizens and the students enrolled in the loan repayment program.

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Health of the Commonwealth.

"Medically underserved area." A geographic area or population group in this Commonwealth which has been determined by the Department of Health to have a health care manpower shortage and which meets the general qualifications criteria of the Federal National Health Service Corps Loan Repayment Program established under section 338B of the Public Health Service Act (58 Stat. 682, 42 U.S.C. § 2541-1). Locations with high incidences of infant mortality, high morbidity or low Medicaid participation by health care professionals may be designated as medically underserved by the department.

"Program." The Health Care Professional Loan Repayment Program established in section 4.

Section 4. Program.

To encourage qualified health care professionals to practice in medically underserved areas, the department has the power and duty to establish the Health Care Professional Loan Repayment Program. The function of the program is to make payments that offset loans and certain educational expenses incurred by students for studies leading to a medical or nursing degree,

1 medical or nursing licensure, or advanced registered nurse
2 practitioner or physician assistant certification. The program
3 shall conform with section 338I of the Public Health Service Act
4 (58 Stat. 682, 42 U.S.C. § 254q-1) and shall provide for the
5 repayment of government and commercial loans for tuition-related
6 and education-related expenses of eligible health care
7 professionals who make and honor a contractual agreement to
8 render service for a designated period of time in a medically
9 underserved area.

10 Section 5. Powers and duties of department.

11 The department shall submit an application to the United
12 States Secretary of Health and Human Services for a grant to
13 fund the program within the limits of funds available under
14 section 338I of the Public Health Service Act (58 Stat. 682, 42
15 U.S.C. § 254q-1). The department shall promulgate regulations
16 necessary for the administration of the program. Regulations
17 shall include all of the following:

18 (1) Academic and financial guidelines for participation
19 in program.

20 (2) Procedures for making application.

21 (3) Limits on practitioner participation per year.

22 (4) Penalties and sanctions for practitioners who
23 default on contractual agreements.

24 (5) Procedures for collecting on defaulted contracts.

25 Section 6. Health care professionals eligible for participation
26 in program.

27 (a) Eligibility.--

28 (1) The department shall establish eligibility criteria
29 and conditions for health care professionals seeking to
30 participate in the program. The following licensed or

certified health care professionals shall be eligible to participate in the program:

(i) Medical doctors with primary care specialties.

(ii) Doctors of osteopathy with primary care specialties.

(iii) Physician assistants.

(iv) Registered nurses.

(v) Advanced registered nurse practitioners.

(2) Primary care medical specialties for physicians shall include obstetrics, gynecology, general and family practice, internal medicine, pediatrics and other specialties identified by the United States Secretary of Health and Human Services.

(b) Program participants.--The eligibility guidelines for program participants shall meet the qualifications criteria established by the United States Secretary of Health and Human Services in administering section 338I of the Public Health Service Act (58 Stat. 682, 42 U.S.C. § 254q-1).

Section 7. Use of funds.

It is the intent of the General Assembly to see that funds as appropriated are utilized by the department for the purpose of increasing the number of primary care physicians, nurses, physician assistants and registered nurse practitioners in medically underserved areas. The department may use funds appropriated for the program as matching funds for Federal loan repayment programs for health care professionals. To the extent permissible under the provisions of the Public Health Service Act (58 Stat. 682, 42 U.S.C. § 201 et seq.), loan reimbursement for program participants shall be limited to primary care physicians, physician assistants, nurses and nurse practitioners

1 who agree to practice in a medically underserved rural area for
2 a specific period of time and to medical professionals employed
3 by or affiliated with rural hospitals. Reimbursements shall be
4 contingent on continued proof of full-time or part-time primary
5 care practice in a medically underserved area and the
6 practitioner accepts any Medicaid reimbursement if eligible for
7 it. Locations with high incidences of infant mortality, high
8 morbidity or low Medicaid participation by health care
9 professionals may be designated as medically underserved by the
10 department.

11 Section 8. Appropriation.

12 The sum of \$1,000,000, or as much thereof as may be
13 necessary, is hereby appropriated to the Department of Health
14 for the fiscal year July 1, 1991, to June 30, 1992, for
15 development and implementation of the Health Care Professional
16 Loan Repayment Program.

17 Section 9. Effective date.

18 This act shall take effect in 60 days.