

PROVISIONS FOR HEALTH CARE

PROVIDERS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Judy Ann Buffmire

AN ACT RELATING TO HEALTH; DEFINING TERMS; CLARIFYING PER DIEM AND EXPENSE PROVISIONS FOR MEMBERS OF THE SPECIAL POPULATION HEALTH CARE PROVIDER FINANCIAL ASSISTANCE COMMITTEE; AMENDING THE COMMITTEE'S RESPONSIBILITIES; ESTABLISHING REPAYMENT OBLIGATIONS AND PENALTIES FOR SCHOLARSHIP AND GRANT RECIPIENTS WHO FAIL TO MEET THEIR SERVICE OBLIGATIONS; MAKING TECHNICAL AND CONFORMING AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

26-9e-2, as enacted by Chapter 345, Laws of Utah 1996

26-9e-4, as enacted by Chapter 345, Laws of Utah 1996

26-9e-5, as enacted by Chapter 345, Laws of Utah 1996

26-9e-7, as enacted by Chapter 345, Laws of Utah 1996

26-9e-8, as enacted by Chapter 345, Laws of Utah 1996

26-9e-9, as enacted by Chapter 345, Laws of Utah 1996

26-9e-10, as enacted by Chapter 345, Laws of Utah 1996

26-9e-11, as enacted by Chapter 345, Laws of Utah 1996

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **26-9e-2** is amended to read:

26-9e-2. Definitions.

As used in this chapter:

(1) "Award" means a scholarship or loan repayment [awarded] grant that is provided as a recruitment and retention incentive to [recipients] a recipient under this chapter.

(2) "Committee" means the Special Population Health Care Provider Financial Assistance

Committee created by Section 26-1-7.

(3) "Dentist" means a person licensed under Title 58, Chapter 69, Dentist and Dental Hygienist Practice Act, to practice dentistry.

(4) "Educational expenses" means the cost of education in a health care profession, including tuition, fees, books, supplies, education equipment and materials, and reasonable living expenses.

(5) "Government official or employee" means a person who is an official or employee of the State, a local government, or public institution of higher education.

~~[(5)]~~ (6) "Loan repayment" means an award of funds under a loan repayment ~~[program]~~ contract to defray loans incurred for educational expenses under this chapter.

~~[(6)]~~ (7) "Medically underserved urban area" means ~~[a geographic area recognized within Metropolitan Statistical Data as urban and]~~ a county that has a population of 100 or more people per square mile which has been designated by the committee as containing a significant population of individuals and families that face barriers to obtaining primary health care services.

~~[(7)]~~ (8) "Mental health therapist" means a person licensed under:

(a) Title 58, Chapter 60, Mental Health Professional Practice Act, or Title 58, Chapter 61, Psychologist Licensing Act; ~~[and]~~ or

(b) Title 58, Chapter 67, Utah Medical Practice Act, as a physician and surgeon, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act, as an osteopathic physician and surgeon.

~~[(8)]~~ (9) "Physician" means a person licensed to practice medicine under Title 58, Chapter 67, Utah Medical Practice Act, or Title 58, Chapter 68, Utah Osteopathic Medical Practice Act.

~~[(9)]~~ (10) "Physician assistant" means a person licensed under Title 58, Chapter ~~[70]~~ 70a, Physician Assistant Practice Act.

~~[(10)]~~ (11) "Primary health care provider" means:

(a) a physician practicing as a family ~~[practitioner]~~ practice physician, pediatrician, obstetrician, or internist;

(b) a physician assistant;

(c) a dentist; or

(d) a mental health therapist.

~~[(11)]~~ (12) "Program" means the Special Population Health Care Provider Financial Assistance Program created under this chapter.

~~[(12)]~~ (13) "Recipient" means an applicant selected to receive ~~[a scholarship or loan repayment]~~ an award under this chapter.

~~[(13)]~~ (14) "Service obligation" means professional service~~[-]~~ agreed to as part of the scholarship or loan repayment contract~~[-]~~ rendered at an approved site in a medically underserved urban area for a minimum of two years~~[-, or a longer period to which the recipient agrees in the scholarship contract]~~. Any period of internship, residency, or other advanced clinical training ~~[is]~~ may not be considered toward satisfying the service obligation under this chapter.

~~[(14)]~~ (15) "~~[Special population health care provider]~~ Site" means a ~~[primary care physician, physician assistant, dentist, or mental]~~ location designated by the committee within a medically underserved urban area where health ~~[therapist whose practice is maintained in a location or with an organization where]~~ care is provided and the majority of ~~[the]~~ patients served are medically underserved due to lack of health care insurance, unwillingness of existing providers to accept patients covered by government health programs, or other economic, cultural, or language barriers ~~[to access]~~ to health care access.

(16) "Special population health care provider" means a primary health care provider whose practice is at a site approved by the committee.

Section 2. Section **26-9e-4** is amended to read:

26-9e-4. Committee created.

(1) The Special Population Health Care Provider Financial Assistance Committee created in Section 26-1-7 is comprised of ten members:

(a) nine members are appointed by the governor as follows:

(i) one employee of the department nominated by the director of the department;

(ii) one representative of the Utah Association of Health Care Providers having a demonstrated interest in health care services for special populations, nominated by the president of the association;

(iii) one representative of the Utah Medical Association having a demonstrated interest in

health care services for special populations, nominated by the president of the association;

(iv) one representative of the Utah Academy of Physician Assistants having a demonstrated interest in health care services for special populations, nominated by the president of the organization;

(v) one urban representative of the Association for Utah Community Health nominated by the board of the association;

(vi) one representative of the Utah Dental Association having a demonstrated interest in health care services for special populations, nominated by the president of the association;

(vii) one representative of the mental health therapist professions who has a demonstrated interest in health care services for special populations, selected from nominees submitted by the professional associations representing the various mental health therapist professions in the state;

(viii) one urban representative of the Association of Local Health Officers nominated by the president of the association; and

(ix) one representative of the low-income advocacy community, nominated by the Utah Human Service Coalition; and

(b) one member of the Legislature chosen by the president and speaker, who serves as an ex officio, nonvoting member.

(2) (a) Upon initial appointment, the governor shall designate four committee members to serve for two-year terms, and four to serve four-year terms. All subsequent appointments shall be to four-year terms.

(b) A person appointed to fill a vacancy prior to the expiration of a member's term shall fill the remainder of the unexpired term.

(c) A committee member may not serve more than two consecutive terms.

(3) A majority of the voting members of the committee constitutes a quorum for the transaction of business.

(4) The committee shall annually designate one of its members to serve as chairman for one year.

(5) (a) (i) [~~Committee members not employed by the state or a local governmental entity~~

shall] Members who are not government employees shall receive no compensation or benefits for their services, but may receive [a] per diem [allowance for] and expenses [actually] incurred in the [discharge of their committee] performance of the member's official duties[, as approved] at the rates established by the Division of Finance under [Section] Sections 63A-3-106 and 63A-3-107.

(ii) Members may decline to receive per diem and expenses for their service.

(b) (i) Government officer and employee members who do not receive salary, per diem, or expenses from their employer for their service may receive per diem and expenses incurred in the performance of their official duties from the committee at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

(ii) Government officer and employee members may decline to receive per diem and expenses for their service.

(c) A legislator on the committee shall receive compensation and expenses as provided by Section 36-2-2 and Legislative Joint Rule 15.03.

Section 3. Section **26-9e-5** is amended to read:

26-9e-5. Committee responsibilities.

(1) [The] To promote and facilitate the recruitment and retention of primary health care providers in medically underserved urban areas of the state the committee shall:

(a) establish application procedures for [scholarship and loan repayment] awards;

(b) establish eligibility and selection criteria for [scholarship and loan repayment] award recipients;

(c) determine [scholarship and loan repayment] awards and conditions, including contract requirements, for each recipient;

(d) establish standard award repayment schedules consistent with the provision of Section 26-9e-9 for inclusion in each program contract;

(e) establish criteria for canceling or reducing an award due to extreme hardship or other good cause;

[(d)] (f) designate [eligible] medically underserved urban areas and [available primary health care service] eligible sites [or organizations in] at which [the] recipients may fulfill their service

obligations;

(g) approve sites from among those designated as eligible;

~~[(e)]~~ (h) establish educational requirements necessary for the recipient to be qualified to meet service obligations;

~~[(f)]~~ (i) annually assess the needs for providers and programs in the designated medically underserved urban areas of the state; and

~~[(g)]~~ (j) annually determine a strategy for using available funds to address the assessed needs for the recruitment and retention of providers in ~~[the designated]~~ eligible sites.

(2) ~~[The]~~ To promote and facilitate the recruitment and retention of primary health care providers in medically underserved urban areas of the state, the committee may:

(a) ~~[approve]~~ approve the specific site at which a recipient ~~[may]~~ is expected to fulfill the service obligation under ~~[the program]~~ this chapter;

(b) set limitations on the amount an individual may receive and on the number of years for which an individual may receive funds under ~~[the program]~~ this chapter;

(c) cancel an award for cause and, for ~~[compelling reasons,]~~ extreme hardship or other good cause;

(i) accept a lesser measure of damages for breach of contract; or

(ii) release a recipient from the service obligation without penalty ~~[for extreme hardship or other good cause]~~;

(d) cancel an award for good cause without penalty to the state;

(e) cancel an award if the recipient fails to meet the conditions of the award or if it reasonably appears the recipient will not meet award conditions; ~~[and]~~

(f) make rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, to implement the provisions of ~~[the program.]~~ this chapter;

(g) support medically underserved urban areas in their efforts to recruit and retain primary health care providers; and

(h) develop alternative service obligations that an award recipient may fulfill if the committee determines that the recipient is not able to fulfill his service obligation at an approved site

for reasons beyond his control.

Section 4. Section **26-9e-7** is amended to read:

26-9e-7. Primary health care provider loan repayment grants -- Terms and amounts -- Service.

(1) (a) To increase the number of primary health care providers practicing in medically underserved urban areas of the state, the department may [~~award grants~~] provide a grant to primary health care providers to repay loans taken [~~by them~~] for educational expenses in exchange for their agreement to practice for a specified period of time [~~in designated eligible sites~~] at an approved site in the state.

(b) Grants may be given only to repay loans taken by a primary health care provider for educational expenses incurred while pursuing an education at an institution that provides training leading to the award of a [~~final~~] degree that qualifies the primary health care provider to practice in his or her field.

(2) Grants under this section may not be used to satisfy other obligations owed by the primary health care provider under any similar program and may not be used to repay a loan that is in default at the time of application.

(3) The department may not disburse any grant [~~funds~~] monies under this chapter until the recipient has performed at least three months of service at the [~~designated eligible~~] approved site.

Section 5. Section **26-9e-8** is amended to read:

26-9e-8. Primary health care provider scholarships -- Terms and amounts -- Service.

(1) To increase the number of primary health care providers practicing in medically underserved urban areas in the state, the department may [~~award~~] provide scholarships to individuals seeking to become primary health care providers in exchange for their agreement to practice for a specified period of time [~~in designated eligible sites~~] at an approved site in the state.

(2) Scholarships may be given to pay educational expenses while pursuing an education at an institution approved by the committee that provides training leading to the award of a final degree that qualifies the primary health care provider to practice in his or her field.

(3) Scholarships given under this section may not be used to satisfy other obligations owed

under any similar program and may not be in an amount more than is reasonably necessary to meet educational expenses.

(4) Scholarship recipients shall seek a course of education following a schedule of at least a minimum number of course hours per year as set by committee rule which leads to receipt of a degree or completion of specified additional course work in a number of years as established by the committee.

Section 6. Section ~~26-9e-9~~ is amended to read:

26-9e-9. Service obligation -- Repayment -- Penalty.

(1) (a) Before receiving an award under this chapter, each recipient shall enter into a contract with the state agreeing to the conditions upon which the award is to be made.

(b) The contract shall include necessary conditions to carry out the purposes of this chapter.

(2) (a) In exchange for financial assistance under this chapter, the recipient shall practice for a minimum of 24 months in a medically underserved urban area at a site [~~or with an organization~~] approved by the committee.

(b) The recipient's practice in a medically underserved urban area at a site [~~or with an organization~~] approved by the committee retires the amount owed for the award according to a schedule established by the committee.

(c) Periods of internship, preceptorship, or other clinical training do not satisfy the service obligation under this chapter.

(3) A loan repayment grant recipient under this chapter who fails to complete the service obligation shall:

(a) pay as a penalty[;] twice the total amount of the grant[;] on a prorated basis according to a schedule established by contract with the committee and 12% per annum interest on the unpaid penalty amount; and

(b) costs and expenses incurred in collection, including attorney fees.

(4) A scholarship recipient who:

(a) fails to finish his professional schooling [~~and become a special population health care provider~~] within the period of time agreed upon with the committee shall within 90 days after the

deadline for completing his schooling or within 90 days of his failure to continue his schooling, whichever occurs earlier, shall repay:

~~[(a)]~~ (i) all scholarship money received[;] according to a schedule established by contract with the committee;

~~[(b)]~~ (ii) if not repaid within one year of default, 12% per annum interest on [the funds received under the] unrepaid scholarship[;] money calculated from the date each installment [is] was received under the scholarship [until it is repaid]; and

~~[(c)]~~ (iii) costs and expenses incurred in collection, including attorney fees[;];

(b) finishes his schooling and fails to pass the necessary professional certifications or examinations within the time period agreed upon with the committee shall repay:

(i) all scholarship money received according to a schedule established by contract with the committee;

(ii) if not repaid within one year of default, 12% per annum interest on unrepaid scholarship money calculated from the date each installment was received under the scholarship; and

(iii) costs and expenses incurred in collection, including attorney fees;

(c) finishes his schooling and fails to take the necessary professional certifications or examinations within the time period agreed upon with the committee shall:

(i) pay as a penalty twice the total amount of the scholarship money on a prorated basis according to a schedule established by contract with the committee and 12% per annum interest on the unpaid penalty amount; and

(ii) costs and expenses incurred in collection, including attorney fees; and

~~[(5)]~~ (d) [A scholarship recipient who] finishes his schooling and becomes a special population health care provider[;] but who fails to fulfill his service obligation shall repay:

~~[(a)]~~ (i) twice the total scholarship amount [paid to him] received that is not yet retired by his service[;] on a prorated basis according to a schedule established by contract with the committee;

~~[(b)]~~ (ii) 12% per annum interest on the unretired [funds received under the] scholarship money calculated from the date [he received] each installment was received under the scholarship; and

~~[(c)]~~ (iii) costs and expenses incurred in collection, including attorney fees.

~~[(6)]~~ (5) Amounts recovered and damages collected under this section shall be deposited as dedicated credits to be used to carry out the provisions of this chapter.

Section 7. Section **26-9e-10** is amended to read:

26-9e-10. Funding.

(1) Appropriations for programs under this chapter shall be a separate line item to the department in the annual appropriations act, and unless otherwise provided in an appropriations act, is nonlapsing.

(2) Federal funds, gifts, endowments, contributions for the programs, and damages collected from breach of program contracts may also be used for programs under this chapter and, except for damages deposited as dedicated credits, are nonlapsing.

(3) ~~[After a program]~~ When the department enters into a contract ~~[has been signed by both parties]~~ obligating funds under this chapter, the department shall set aside the funds necessary to ensure sufficient funds will be available to make payments under the contract ~~[for the full term of the service obligation]~~.

(4) Funding under Subsections (1) and (2) shall be used to make payments ~~[under the]~~ on program contracts.

(5) Committee and department staff support costs necessary to administer this chapter shall be appropriated by the Legislature.

Section 8. Section **26-9e-11** is amended to read:

26-9e-11. Committee report.

Annually on or before August 1, the committee shall submit a written report of its activities under this chapter to the executive director of the department and to the Health and ~~[Environment]~~ Human Services Interim Committee of the Legislature. The report shall include:

(1) the number and type of loan repayment grants and scholarships, and the areas of practice of the recipients;

(2) the total amount of each award;

(3) the site at which each recipient is practicing;

- (4) the number of applications filed under this chapter within the preceding year;
- (5) the areas designated by the committee as medically underserved urban areas;
- (6) the amount of administrative expenses incurred by the committee and by the department to provide staff support during the preceding year in carrying out the provisions of this chapter;
- (7) an assessment of the needs in the designated medically underserved urban areas for providers, and recruitment and retention programs;
- (8) the plan for addressing the assessed needs in terms of recruitment and retention of health care providers;
- (9) the location and type of education program where each scholarship recipient is receiving training; [and]
- (10) the location [~~where each~~] and professional activities of former award [~~recipient is currently practicing.~~] recipients, if known; and
- (11) other information that the department considers beneficial or the committee requests in evaluating the activities authorized under this chapter.

Section 9. Effective date.

This act takes effect on July 1, 1998.