

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 2386

(SENATE AUTHORS: MANN)

DATE
03/02/2023

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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to health; modifying the health professional education loan forgiveness
1.3 program; appropriating money; amending Minnesota Statutes 2022, sections
1.4 144.1501, subdivisions 1, 2, 3, 4; 144.608, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 144.1501, subdivision 1, is amended to read:

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
1.8 apply.

1.9 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist
1.10 under section 150A.06, and who is certified as an advanced dental therapist under section
1.11 150A.106.

1.12 (c) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
1.13 drug counselor under chapter 148F.

1.14 (d) "Allied health care technician" means an individual who has completed training and
1.15 received all licensing or certification necessary to perform duties as a medical laboratory
1.16 technologist, medical laboratory technician, respiratory therapist, radiology technologist,
1.17 or surgical technologist.

1.18 ~~(d)~~(e) "Dental therapist" means an individual who is licensed as a dental therapist under
1.19 section 150A.06.

1.20 ~~(e)~~(f) "Dentist" means an individual who is licensed to practice dentistry.

2.1 ~~(f)~~ (g) "Designated rural area" means a statutory and home rule charter city or township
2.2 that is outside the seven-county metropolitan area as defined in section 473.121, subdivision
2.3 2, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

2.4 ~~(g)~~ (h) "Emergency circumstances" means those conditions that make it impossible for
2.5 the participant to fulfill the service commitment, including death, total and permanent
2.6 disability, or temporary disability lasting more than two years.

2.7 ~~(h)~~ (i) "Mental health professional" means an individual providing clinical services in
2.8 the treatment of mental illness who is qualified in at least one of the ways specified in section
2.9 245.462, subdivision 18.

2.10 ~~(i)~~ (j) "Medical resident" means an individual participating in a medical residency in
2.11 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

2.12 ~~(j)~~ (k) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse
2.13 anesthetist, advanced clinical nurse specialist, or physician assistant.

2.14 ~~(k)~~ (l) "Nurse" means an individual who has completed training and received all licensing
2.15 or certification necessary to perform duties as a licensed practical nurse or registered nurse.

2.16 ~~(l)~~ (m) "Nurse-midwife" means a registered nurse who has graduated from a program
2.17 of study designed to prepare registered nurses for advanced practice as nurse-midwives.

2.18 ~~(m)~~ (n) "Nurse practitioner" means a registered nurse who has graduated from a program
2.19 of study designed to prepare registered nurses for advanced practice as nurse practitioners.

2.20 ~~(n)~~ (o) "Pharmacist" means an individual with a valid license issued under chapter 151.

2.21 ~~(o)~~ (p) "Physician" means an individual who is licensed to practice medicine in the areas
2.22 of family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

2.23 ~~(p)~~ (q) "Physician assistant" means a person licensed under chapter 147A.

2.24 ~~(q)~~ (r) "Public health nurse" means a registered nurse licensed in Minnesota who has
2.25 obtained a registration certificate as a public health nurse from the Board of Nursing in
2.26 accordance with Minnesota Rules, chapter 6316.

2.27 ~~(r)~~ (s) "Qualified educational loan" means a government, commercial, or foundation
2.28 loan for actual costs paid for tuition, reasonable education expenses, and reasonable living
2.29 expenses related to the graduate or undergraduate education of a health care professional.

2.30 ~~(s)~~ (t) "Underserved urban community" means a Minnesota urban area or population
2.31 included in the list of designated primary medical care health professional shortage areas
2.32 (HPSAs), medically underserved areas (MUAs), or medically underserved populations

3.1 (MUPs) maintained and updated by the United States Department of Health and Human
3.2 Services.

3.3 Sec. 2. Minnesota Statutes 2022, section 144.1501, subdivision 2, is amended to read:

3.4 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
3.5 program account is established. The commissioner of health shall use money from the
3.6 account to establish a loan forgiveness program:

3.7 (1) for medical residents, mental health professionals, and alcohol and drug counselors
3.8 agreeing to practice in designated rural areas or underserved urban communities or
3.9 specializing in the area of pediatric psychiatry;

3.10 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach
3.11 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program
3.12 at the undergraduate level or the equivalent at the graduate level;

3.13 (3) for nurses who agree to practice in a Minnesota health care facility, health clinic, or
3.14 health care setting, including but not limited to a nursing home, an intermediate care facility
3.15 for persons with developmental disability, or a hospital if the hospital owns and operates
3.16 a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse
3.17 is in the nursing home; a housing with services establishment as defined in section 144D.01,
3.18 subdivision 4; or for a home care provider as defined in section 144A.43, subdivision 4; or
3.19 agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a
3.20 postsecondary program at the undergraduate level or the equivalent at the graduate level;

3.21 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
3.22 hours per year in their designated field in a postsecondary program at the undergraduate
3.23 level or the equivalent at the graduate level. The commissioner, in consultation with the
3.24 Healthcare Education-Industry Partnership, shall determine the health care fields where the
3.25 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
3.26 technology, radiologic technology, and surgical technology;

3.27 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses
3.28 who agree to practice in designated rural areas; ~~and~~

3.29 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
3.30 encounters to state public program enrollees or patients receiving sliding fee schedule
3.31 discounts through a formal sliding fee schedule meeting the standards established by the
3.32 United States Department of Health and Human Services under Code of Federal Regulations,
3.33 title 42, section 51, ~~chapter 303.~~ 51c.303; and

4.1 (7) for allied health care technicians who agree to practice in a Minnesota health care
 4.2 facility, health clinic, or health care setting.

4.3 (b) Appropriations made to the account do not cancel and are available until expended,
 4.4 except that at the end of each biennium, any remaining balance in the account that is not
 4.5 committed by contract and not needed to fulfill existing commitments shall cancel to the
 4.6 fund.

4.7 Sec. 3. Minnesota Statutes 2022, section 144.1501, subdivision 3, is amended to read:

4.8 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an
 4.9 individual must:

4.10 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or
 4.11 education program to become a dentist, dental therapist, advanced dental therapist, mental
 4.12 health professional, alcohol and drug counselor, pharmacist, public health nurse, midlevel
 4.13 practitioner, registered nurse, ~~or a licensed practical nurse,~~ or allied health care technician.
 4.14 The commissioner may also consider applications submitted by graduates in eligible
 4.15 professions who are licensed and in practice; and

4.16 (2) submit an application to the commissioner of health.

4.17 (b) Except as provided in paragraphs (c) and (d), an applicant selected to participate
 4.18 must sign a contract to agree to serve a minimum three-year full-time service obligation
 4.19 according to subdivision 2, which shall begin no later than March 31 following completion
 4.20 of required training, ~~with the exception of.~~

4.21 (c) An applicant who is a nurse, who and is selected to participate must sign a contract
 4.22 to agree to serve a minimum two-year full-time service obligation according to subdivision
 4.23 2, which shall begin no later than March 31 following completion of required training.

4.24 (d) An applicant who is an allied health care technician and is selected to participate
 4.25 must sign a contract to agree to serve a minimum two-year full-time service obligation
 4.26 according to subdivision 2, which shall begin no later than March 31 following completion
 4.27 of required training.

4.28 Sec. 4. Minnesota Statutes 2022, section 144.1501, subdivision 4, is amended to read:

4.29 Subd. 4. **Loan forgiveness.** (a) The commissioner of health may select applicants each
 4.30 year for participation in the loan forgiveness program, within the limits of available funding.
 4.31 In considering applications, the commissioner shall give preference to applicants who
 4.32 document diverse cultural competencies.

5.1 (b) The commissioner shall distribute available funds for loan forgiveness proportionally
5.2 among the eligible professions according to the vacancy rate for each profession in the
5.3 required geographic area, facility type, teaching area, patient group, or specialty type specified
5.4 in subdivision 2. The commissioner shall allocate funds for physician loan forgiveness so
5.5 that 75 percent of the funds available are used for rural physician loan forgiveness and 25
5.6 percent of the funds available are used for underserved urban communities and pediatric
5.7 psychiatry loan forgiveness. If the commissioner does not receive enough qualified applicants
5.8 each year to use the entire allocation of funds for any eligible profession, the remaining
5.9 funds may be allocated proportionally among the other eligible professions according to
5.10 the vacancy rate for each profession in the required geographic area, patient group, or facility
5.11 type specified in subdivision 2. ~~Applicants are responsible for securing their own qualified~~
5.12 ~~educational loans.~~ The commissioner shall select participants based on their suitability for
5.13 practice serving the required geographic area or facility type specified in subdivision 2, as
5.14 indicated by experience or training. The commissioner shall give preference to applicants
5.15 closest to completing their training.

5.16 (c) Applicants are responsible for securing their own qualified loans.

5.17 (d) Except as provided in paragraph (e), for each year that a participant meets the service
5.18 obligation required under subdivision 3, up to a maximum of four years, the commissioner
5.19 shall make annual disbursements directly to the participant equivalent to 15 percent of the
5.20 average educational debt for indebted graduates in their profession in the year closest to the
5.21 applicant's selection for which information is available, not to exceed the balance of the
5.22 participant's qualifying educational loans.

5.23 (e) For each year that a nurse or health care technician who agrees to teach in the nurse's
5.24 or health care technician's designated field meets the service obligation required under
5.25 subdivision 3, or for each year that an allied health care technician meets the service
5.26 obligation required under subdivision 3, the commissioner shall make annual disbursements
5.27 directly to the nurse, health care technician, or allied health care technician equivalent to
5.28 30 percent of the average educational debt for indebted graduates in their profession in the
5.29 year closest to the nurse's, health care technician's, or allied health care technician's selection
5.30 for which information is available, not to exceed the balance of the nurse's, health care
5.31 technician's, or allied health care technician's qualifying educational loans.

5.32 (f) Before receiving loan repayment disbursements and as requested, the participant
5.33 must complete and return to the commissioner a confirmation of practice form provided by
5.34 the commissioner verifying that the participant is practicing as required under subdivisions
5.35 2 and 3. The participant must provide the commissioner with verification that the full amount

6.1 of loan repayment disbursement received by the participant has been applied toward the
6.2 designated loans. After each disbursement, verification must be received by the commissioner
6.3 and approved before the next loan repayment disbursement is made. Participants who move
6.4 their practice remain eligible for loan repayment as long as they practice as required under
6.5 subdivision 2.

6.6 Sec. 5. Minnesota Statutes 2022, section 144.608, subdivision 1, is amended to read:

6.7 Subdivision 1. **Trauma Advisory Council established.** (a) A Trauma Advisory Council
6.8 is established to advise, consult with, and make recommendations to the commissioner on
6.9 the development, maintenance, and improvement of a statewide trauma system.

6.10 (b) The council shall consist of the following members:

6.11 (1) a trauma surgeon certified by the American Board of Surgery or the American
6.12 Osteopathic Board of Surgery who practices in a level I or II trauma hospital;

6.13 (2) a general surgeon certified by the American Board of Surgery or the American
6.14 Osteopathic Board of Surgery whose practice includes trauma and who practices in a
6.15 designated rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~ (g);

6.16 (3) a neurosurgeon certified by the American Board of Neurological Surgery who
6.17 practices in a level I or II trauma hospital;

6.18 (4) a trauma program nurse manager or coordinator practicing in a level I or II trauma
6.19 hospital;

6.20 (5) an emergency physician certified by the American Board of Emergency Medicine
6.21 or the American Osteopathic Board of Emergency Medicine whose practice includes
6.22 emergency room care in a level I, II, III, or IV trauma hospital;

6.23 (6) a trauma program manager or coordinator who practices in a level III or IV trauma
6.24 hospital;

6.25 (7) a physician certified by the American Board of Family Medicine or the American
6.26 Osteopathic Board of Family Practice whose practice includes emergency department care
6.27 in a level III or IV trauma hospital located in a designated rural area as defined under section
6.28 144.1501, subdivision 1, paragraph ~~(e)~~ (g);

6.29 (8) a nurse practitioner, as defined under section 144.1501, subdivision 1, paragraph ~~(h)~~
6.30 (n), or a physician assistant, as defined under section 144.1501, subdivision 1, paragraph
6.31 ~~(h)~~ (q), whose practice includes emergency room care in a level IV trauma hospital located

7.1 in a designated rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~
7.2 (g);

7.3 (9) a physician certified in pediatric emergency medicine by the American Board of
7.4 Pediatrics or certified in pediatric emergency medicine by the American Board of Emergency
7.5 Medicine or certified by the American Osteopathic Board of Pediatrics whose practice
7.6 primarily includes emergency department medical care in a level I, II, III, or IV trauma
7.7 hospital, or a surgeon certified in pediatric surgery by the American Board of Surgery whose
7.8 practice involves the care of pediatric trauma patients in a trauma hospital;

7.9 (10) an orthopedic surgeon certified by the American Board of Orthopaedic Surgery or
7.10 the American Osteopathic Board of Orthopedic Surgery whose practice includes trauma
7.11 and who practices in a level I, II, or III trauma hospital;

7.12 (11) the state emergency medical services medical director appointed by the Emergency
7.13 Medical Services Regulatory Board;

7.14 (12) a hospital administrator of a level III or IV trauma hospital located in a designated
7.15 rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~ (g);

7.16 (13) a rehabilitation specialist whose practice includes rehabilitation of patients with
7.17 major trauma injuries or traumatic brain injuries and spinal cord injuries as defined under
7.18 section 144.661;

7.19 (14) an attendant or ambulance director who is an EMT, ~~EMT-I, or EMT-P~~ AEMT, or
7.20 paramedic within the meaning of section 144E.001 and who actively practices with a licensed
7.21 ambulance service in a primary service area located in a designated rural area as defined
7.22 under section 144.1501, subdivision 1, paragraph ~~(e)~~ (g); and

7.23 (15) the commissioner of public safety or the commissioner's designee.

7.24 **Sec. 6. APPROPRIATION; HEALTH PROFESSIONAL EDUCATION LOAN**
7.25 **FORGIVENESS PROGRAM.**

7.26 \$5,000,000 in fiscal year 2024 and \$5,000,000 in fiscal year 2025 are appropriated from
7.27 the general fund to the commissioner of health for the health professional education loan
7.28 forgiveness program under Minnesota Statutes, section 144.1501. The base for this
7.29 appropriation is \$5,000,000 in fiscal year 2026, \$5,000,000 in fiscal year 2027, and \$0 in
7.30 fiscal year 2028.