

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 3**

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DATE	D-PG	OFFICIAL STATUS
01/08/2015	37	Introduction and first reading Referred to Health, Human Services and Housing
01/12/2015	55	Author added Schmit
02/02/2015	179	Comm report: To pass and re-referred to Higher Education and Workforce Development
02/16/2015	301a	Comm report: To pass as amended and re-refer to Finance

1.1 A bill for an act  
 1.2 relating to health; adding rural mental health professionals, public health nurses,  
 1.3 dental therapists, and advanced dental therapists to the health professional  
 1.4 education loan forgiveness program; appropriating money; amending Minnesota  
 1.5 Statutes 2014, section 144.1501, subdivisions 1, 2, 3, 4.

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

1.7 Section 1. Minnesota Statutes 2014, section 144.1501, subdivision 1, is amended to read:

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

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

1.13 (c) "Dental therapist" means an individual who is licensed as a dental therapist  
 1.14 under section 150A.06.

1.15 ~~(b)~~ (d) "Dentist" means an individual who is licensed to practice dentistry.

1.16 ~~(e)~~ (e) "Designated rural area" means a city or township that is:

1.17 ~~(1)~~ outside the seven-county metropolitan area as defined in section 473.121,  
 1.18 subdivision 2; ~~and,~~ excluding the cities of Duluth, Mankato, Moorhead, Rochester, and  
 1.19 St. Cloud.

1.20 ~~(2) has a population under 15,000.~~

1.21 ~~(d)~~ (f) "Emergency circumstances" means those conditions that make it impossible  
 1.22 for the participant to fulfill the service commitment, including death, total and permanent  
 1.23 disability, or temporary disability lasting more than two years.

2.1 (g) "Mental health professional" means an individual providing clinical services in  
2.2 the treatment of mental illness who is qualified in at least one of the ways specified in  
2.3 section 245.462, subdivision 18.

2.4 ~~(e)~~ (h) "Medical resident" means an individual participating in a medical residency  
2.5 in family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

2.6 ~~(f)~~ (i) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse  
2.7 anesthetist, advanced clinical nurse specialist, or physician assistant.

2.8 ~~(g)~~ (j) "Nurse" means an individual who has completed training and received  
2.9 all licensing or certification necessary to perform duties as a licensed practical nurse  
2.10 or registered nurse.

2.11 ~~(h)~~ (k) "Nurse-midwife" means a registered nurse who has graduated from a program  
2.12 of study designed to prepare registered nurses for advanced practice as nurse-midwives.

2.13 ~~(i)~~ (l) "Nurse practitioner" means a registered nurse who has graduated from a  
2.14 program of study designed to prepare registered nurses for advanced practice as nurse  
2.15 practitioners.

2.16 ~~(j)~~ (m) "Pharmacist" means an individual with a valid license issued under chapter  
2.17 151.

2.18 ~~(k)~~ (n) "Physician" means an individual who is licensed to practice medicine in  
2.19 the areas of family practice, internal medicine, obstetrics and gynecology, pediatrics,  
2.20 or psychiatry.

2.21 ~~(l)~~ (o) "Physician assistant" means a person licensed under chapter 147A.

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

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

2.28 ~~(n)~~ (r) "Underserved urban community" means a Minnesota urban area or population  
2.29 included in the list of designated primary medical care health professional shortage areas  
2.30 (HPSAs), medically underserved areas (MUAs), or medically underserved populations  
2.31 (MUPs) maintained and updated by the United States Department of Health and Human  
2.32 Services.

2.33 Sec. 2. Minnesota Statutes 2014, section 144.1501, subdivision 2, is amended to read:

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

3.4 (1) for medical residents and mental health professionals agreeing to practice  
3.5 in designated rural areas or underserved urban communities or specializing in the area  
3.6 of pediatric psychiatry;

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

3.10 (3) for nurses who agree to practice in a Minnesota nursing home ~~or~~; an intermediate  
3.11 care facility for persons with developmental disability; or a hospital if the hospital owns  
3.12 and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked  
3.13 by the nurse is in the nursing home; or agree to teach at least 12 credit hours, or 720 hours  
3.14 per year in the nursing field in a postsecondary program at the undergraduate level or the  
3.15 equivalent at the graduate level;

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

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

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

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

3.33 Sec. 3. Minnesota Statutes 2014, section 144.1501, subdivision 3, is amended to read:

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

4.1 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training  
4.2 or education program to become a dentist, dental therapist, advanced dental therapist,  
4.3 mental health professional, pharmacist, public health nurse, midlevel practitioner,  
4.4 registered nurse, or a licensed practical nurse training program; and

4.5 (2) submit an application to the commissioner of health. If fewer applications are  
4.6 submitted by dental students or residents than there are dentist participant slots available,  
4.7 the commissioner may consider applications submitted by dental program graduates  
4.8 who are licensed dentists.

4.9 (b) An applicant selected to participate must sign a contract to agree to serve a  
4.10 minimum three-year full-time service obligation according to subdivision 2, which shall  
4.11 begin no later than March 31 following completion of required training.

4.12 Sec. 4. Minnesota Statutes 2014, section 144.1501, subdivision 4, is amended to read:

4.13 Subd. 4. **Loan forgiveness.** The commissioner of health may select applicants  
4.14 each year for participation in the loan forgiveness program, within the limits of available  
4.15 funding. In considering applications, the commissioner shall give preference to applicants  
4.16 who document diverse cultural competencies. The commissioner shall distribute available  
4.17 funds for loan forgiveness proportionally among the eligible professions according to the  
4.18 vacancy rate for each profession in the required geographic area, facility type, teaching  
4.19 area, patient group, or specialty type specified in subdivision 2. The commissioner shall  
4.20 allocate funds for physician loan forgiveness so that 75 percent of the funds available are  
4.21 used for rural physician loan forgiveness and 25 percent of the funds available are used  
4.22 for underserved urban communities and pediatric psychiatry loan forgiveness. If the  
4.23 commissioner does not receive enough qualified applicants each year to use the entire  
4.24 allocation of funds for any eligible profession, the remaining funds may be allocated  
4.25 proportionally among the other eligible professions according to the vacancy rate for  
4.26 each profession in the required geographic area, patient group, or facility type specified  
4.27 in subdivision 2. Applicants are responsible for securing their own qualified educational  
4.28 loans. The commissioner shall select participants based on their suitability for practice  
4.29 serving the required geographic area or facility type specified in subdivision 2, as indicated  
4.30 by experience or training. The commissioner shall give preference to applicants closest to  
4.31 completing their training. For each year that a participant meets the service obligation  
4.32 required under subdivision 3, up to a maximum of four years, the commissioner shall make  
4.33 annual disbursements directly to the participant equivalent to 15 percent of the average  
4.34 educational debt for indebted graduates in their profession in the year closest to the  
4.35 applicant's selection for which information is available, not to exceed the balance of the

5.1 participant's qualifying educational loans. Before receiving loan repayment disbursements  
5.2 and as requested, the participant must complete and return to the commissioner a  
5.3 confirmation of practice form provided by the commissioner verifying that the participant  
5.4 is practicing as required under subdivisions 2 and 3. The participant must provide the  
5.5 commissioner with verification that the full amount of loan repayment disbursement  
5.6 received by the participant has been applied toward the designated loans. After each  
5.7 disbursement, verification must be received by the commissioner and approved before the  
5.8 next loan repayment disbursement is made. Participants who move their practice remain  
5.9 eligible for loan repayment as long as they practice as required under subdivision 2.

5.10 Sec. 5. **APPROPRIATION.**

5.11 \$3,131,000 in fiscal year 2016 and \$3,131,000 in fiscal year 2017 are appropriated  
5.12 from the general fund to the commissioner of health for the purposes of Minnesota  
5.13 Statutes, section 144.1501, the health professional education loan forgiveness program.  
5.14 Of this appropriation, the commissioner may use up to \$131,000 each year to administer  
5.15 the program.