
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2382 Session of
2024

INTRODUCED BY RAPP, FRANKEL, ROWE, VENKAT, ZIMMERMAN, STEHR,
M. BROWN, SCHLOSSBERG, COOK, CAUSER, KINSEY, CONKLIN, MERSKI
AND ROSSI, JUNE 5, 2024

REFERRED TO COMMITTEE ON HEALTH, JUNE 5, 2024

AN ACT

1 Providing for grant awards to entities in rural counties and
2 designated medically underserved areas to pay for the
3 education debt of physicians and nurses employed at the
4 entity.

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 Rural Health
9 Care Grant Program Act.

10 Section 2. Legislative intent.

11 It is the intent of the General Assembly through this
12 legislation to:

13 (1) Allow entities in designated medically underserved
14 areas and rural areas to have an opportunity to recruit and
15 retain high quality physicians and nurses.

16 (2) Have more physicians and nurses available to
17 practice in designated medically underserved areas and rural
18 areas.

1 (3) Give patients in designated medically underserved
2 areas and rural areas more access to physicians and nurses.

3 (4) Prevent the possible closure of entities in
4 designated medically underserved areas and rural areas due to
5 physician or nurse shortages.

6 Section 3. Definitions.

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

10 "Birth center." As defined in section 802.1 of the act of
11 July 19, 1979 (P.L.130, No.48), known as the Health Care
12 Facilities Act.

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

14 "Designated medically underserved area." The term shall mean
15 the same as defined under section 1301 of the act of December 2,
16 1992 (P.L.741, No.113), known as the Children's Health Care Act.

17 "Education debt." Debt incurred for graduate-level schooling
18 to practice as a physician or nurse in this Commonwealth.

19 "Entity." A birth center, a federally qualified health
20 center or a hospital.

21 "Federally qualified health center." As defined in 42 U.S.C.
22 § 1396d(1)(2)(B) (relating to definitions). The term includes a
23 federally qualified health center look-alike.

24 "Full-time." A physician or nurse who works on average more
25 than 30 hours per week or more than 130 hours per month.

26 "Grant." A sum of money that is awarded to an entity by the
27 department under this act.

28 "Hospital." A general acute care or specialty hospital
29 located in a designated medically underserved area or rural
30 county.

1 "Licensed practical nurse." An individual licensed to
2 practice practical nursing under the act of March 2, 1956 (1955
3 P.L.1211, No.376), known as the Practical Nurse Law.

4 "Nurse." A licensed practical nurse or registered nurse.

5 "Physician." Either:

6 (1) as defined in section 2 of the act of October 5,
7 1978 (P.L.1109, No.261), known as the Osteopathic Medical
8 Practice Act; or

9 (2) as defined in section 2 of the act of December 20,
10 1985 (P.L.457, No.112), known as the Medical Practice Act of
11 1985.

12 "Program." The Rural Health Care Grant Program established
13 under section 4.

14 "Registered nurse." An individual licensed to practice
15 professional nursing under the act of May 22, 1951 (P.L.317,
16 No.69), known as The Professional Nursing Law.

17 "Rural county." A county within this Commonwealth where the
18 population density is less than 284 persons per square mile as
19 defined by the Center for Rural Pennsylvania.

20 Section 4. Establishment.

21 The Rural Health Care Grant Program is established in the
22 department to be administered by the department.

23 Section 5. Use of money.

24 (a) Duty of department.--The department shall distribute
25 grants to an entity in accordance with this act from money
26 appropriated for the program by the General Assembly.

27 (b) Distribution by entity.--An entity shall use money
28 granted under subsection (a) to pay for education debt of
29 physicians or nurses that the entity employs according to the
30 following:

1 (1) An entity shall pay the applicable creditor or
2 designated person of the education debt on behalf of the
3 physician or nurse.

4 (2) Within 30 days after disbursement of money to the
5 applicable creditor or designated person, an entity shall
6 report to the department the following:

7 (i) The date the payment was sent to the applicable
8 creditor or designated person.

9 (ii) The amount of the payment.

10 (iii) The name and address of the applicable
11 creditor or designated person.

12 (iv) The names of the physicians and nurses whose
13 education debt was paid by the entity with the grant
14 money.

15 (c) Receipt.--A written or electronic receipt of payment of
16 education debt shall be issued to a physician or nurse employed
17 by the entity whose education debt was paid by a grant under
18 this act.

19 Section 6. Grant awards.

20 (a) Criteria for grant from department.--The department
21 shall award a grant to an entity that is located in a designated
22 medically underserved area or rural county. Priority shall be
23 given to independent entities not owned by, managed by or
24 affiliated with any health care system, health care provider or
25 other entity.

26 (b) Limitation of awards.--

27 (1) The department may not award more than \$250,000 to
28 an entity in one calendar year.

29 (2) The amount distributed to a physician or nurse may
30 not exceed the amount owed in education debt.

1 (c) Entity award.--An entity shall award the grant money
2 received from the department to one or more chosen physicians or
3 nurses who are employed by the entity. In order to receive a
4 payment of education debt, a physician or nurse must:

5 (1) Work a minimum of three years in the entity that
6 provides the grant money to pay for education debt.

7 (2) Be licensed to practice as a physician or nurse in
8 this Commonwealth under the applicable licensing board of the
9 Department of State.

10 (3) Begin work within six months of accepting a position
11 with the entity paying for the education debt.

12 (4) Be employed as a full-time physician or nurse for
13 the entity providing the grant.

14 Section 7. Entity application for a grant.

15 (a) General rule.--Applications shall:

16 (1) Be submitted by an entity to the department in a
17 manner the department deems appropriate.

18 (2) Be available electronically.

19 (3) Include documentation as deemed necessary by the
20 department.

21 (b) Certification.--An entity shall certify in good faith
22 that the information provided in the application and all
23 supporting documents and forms are true and accurate in all
24 material aspects. An entity, or an authorized representative of
25 the entity, that knowingly makes a false statement to obtain a
26 grant shall be subject to 18 Pa.C.S. § 4904 (relating to unsworn
27 falsification to authorities).

28 Section 8. Review of application.

29 (a) Selection.--The department shall select an appropriate
30 number of entities to receive a grant under this act each

1 calendar year, dependent upon the amount of money appropriated
2 for the program by the General Assembly.

3 (b) Approval or disapproval.--No later than 60 days after an
4 entity's submission of an application, the department shall
5 approve or deny the application for a grant. The department
6 shall provide a notice to the entity that:

7 (1) the application for a grant is approved for an
8 amount determined by the department; or

9 (2) the application for a grant is denied. The
10 department shall provide its reasons for denial of the
11 application. The entity may resubmit its application based
12 upon the department's reasons for denying the application.

13 Section 9. Grant agreements.

14 Upon approval of an application under section 8, the
15 department shall enter into a grant agreement with the entity to
16 award a grant under this act. The grant agreement shall explain
17 the terms and conditions of the grant, including the applicable
18 laws of this Commonwealth and all reporting requirements. The
19 department, an entity and any other necessary party, as
20 determined by the department, may enter into the grant agreement
21 via electronic signature.

22 Section 10. Disbursement of grants.

23 The following shall apply to the disbursement of grants:

24 (1) The department shall determine the number of grants
25 to be awarded with the money appropriated by the General
26 Assembly.

27 (2) The department shall award a grant to an entity in
28 \$10,000 increments.

29 (3) An entity shall report to the department the initial
30 date of employment for each physician or nurse who receives

1 payment of education debt and the departure from employment
2 date for each physician or nurse, if applicable.

3 (4) The department shall begin disbursement of grant
4 money to an entity within 60 days after the approval of an
5 entity's application.

6 Section 11. Reports.

7 (a) Content.--No later than December 31 of each year, the
8 department shall publish a report on its publicly accessible
9 Internet website that contains the following information:

10 (1) The number of grants awarded under this act.

11 (2) The number of physicians and nurses who received a
12 payment of their education debt.

13 (3) The license type and practice area of each physician
14 and nurse, as applicable.

15 (4) The name and address of each entity that received a
16 grant under this act.

17 (5) The amount of each grant awarded.

18 (6) The total amount of the appropriation distributed
19 each calendar year.

20 (7) An aggregate total for each designated medically
21 underserved area or rural county where a physician or nurse
22 awarded grant money is employed by an entity.

23 (b) Confidentiality.--The name, address and other personal
24 information of a physician or nurse who received money from an
25 entity awarded a grant by the department may not be listed on
26 the department's publicly accessible Internet website and may
27 not be considered accessible under the act of February 14, 2008
28 (P.L.6, No.3), known as the Right-to-Know Law.

29 (c) Submission.--The department shall submit the report
30 under subsection (a) to the following:

1 (1) The chair and minority chair of the Appropriations
2 Committee of the Senate.

3 (2) The chair and minority chair of the Appropriations
4 Committee of the House of Representatives.

5 (3) The chair and minority chair of the Health and Human
6 Services Committee of the Senate.

7 (4) The chair and minority chair of the Health Committee
8 of the House of Representatives.

9 (d) Final report.--After disbursement of all money
10 appropriated for the program, the department shall publish a
11 final report with the information listed under this section
12 within six months.

13 Section 12. Tax applicability.

14 Grants awarded under this act may not be considered taxable
15 income to an entity, physician or nurse under the act of March
16 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

17 Section 13. Compliance.

18 (a) Reimbursement for noncompliance.--The department shall
19 determine compliance with the requirements of this act. If an
20 entity, physician or nurse fails to comply with the requirements
21 of this act, the entity, physician or nurse shall reimburse the
22 Commonwealth for the amount of the grant received or awarded,
23 including interest accrued, as determined by the department
24 based on a determination of which party violated this act. The
25 department, entity, physician or nurse shall make every effort
26 to resolve conflicts in order to prevent a breach of the program
27 requirements established by the department.

28 (b) Agreement between entity and employee.--An entity that
29 receives a grant under this act may require a physician or nurse
30 awarded money to enter into an agreement established by the

1 entity and determine any compliance, including the timing of
2 disbursement of the grant money, subject to the requirements of
3 this act.

4 Section 14. Effective date.

5 This act shall take effect in 120 days.