

1 H.737

2 Introduced by Representative McFaun of Barre Town

3 Referred to Committee on

4 Date:

5 Subject: Health; physicians; loan forgiveness

6 Statement of purpose: This bill proposes to require health care providers
7 participating in a loan repayment program to work in underserved
8 communities. It also specifies that one year of loan repayment may be
9 obtained for each year a health care provider or health care educator serves
10 Vermont.

11 An act relating to a loan repayment program for health care providers and
12 health care educators

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. 18 V.S.A. § 10a is amended to read:

15 § 10a. LOAN REPAYMENT FOR HEALTH CARE PROVIDERS AND
16 HEALTH CARE EDUCATOR FUND

17 (a) There is hereby established a special fund to be known as the Vermont
18 health care educational loan repayment fund which shall be used for the
19 purpose of ensuring a stable and adequate supply of health care providers and
20 health care educators to meet the health care needs of Vermonters, with a focus

1 on recruiting and retaining providers and health care educators in underserved
2 geographic and specialty areas.

3 (b) The fund shall be established and held separate and apart from any
4 other funds or moneys of the state and shall be used and administered
5 exclusively for the purpose of this section. The money in the fund shall be
6 invested in the same manner as permitted for investment of funds belonging to
7 the state or held in the treasury. The fund shall consist of the following:

8 (1) Such sums as may be appropriated or transferred thereto from time
9 to time by the general assembly, the state emergency board, or the joint fiscal
10 committee during such times as the general assembly is not in session.

11 (2) Interest earned from the investment of fund balances.

12 (3) Any other money from any other source accepted for the benefit of
13 the fund.

14 (c) The fund shall be administered by the department of health, which shall
15 make funds available to the University of Vermont College of Medicine area
16 health education centers (AHEC) program for loan repayment awards. The
17 commissioner may require certification of compliance with this section prior to
18 the making of an award.

19 (d) AHEC shall administer awards in such a way as to comply with the
20 requirements of Section 108(f) of the Internal Revenue Code.

1 (e) AHEC shall make loan repayment awards in exchange for service
2 ~~commitment~~ commitments by health care providers and health care educators
3 and shall define the service obligation in a contract with the health care
4 provider or health care educator. Participating health care providers and health
5 care educators shall receive one year of loan repayment for each year of
6 service. Payment awards shall be made directly to the educational loan
7 creditor of the health care provider or health care educator.

8 (f)(1) Loan repayment awards shall only be available for a ~~health care~~
9 ~~provider or~~ health care educator who:

10 ~~(1)(A)~~ (A) is a Vermont resident;

11 ~~(2)(B)~~ (B) serves Vermont; and

12 ~~(3) accepts patients with coverage under Medicaid, Medicare, or~~
13 ~~other state-funded health care benefit programs, if applicable; and~~

14 ~~(4)(C)~~ (C) has outstanding educational debt acquired in the pursuit of ~~an~~
15 a health-related undergraduate or graduate degree from an accredited college
16 or university ~~that~~ which exceeds the amount of the loan repayment award.

17 (2) Loan repayment awards shall only be available for a health care
18 provider who:

19 (A) is a Vermont resident;

1 (B) works in an underserved community of Vermont;

2 (C) accepts patients with coverage under Medicaid, Medicare, or

3 other state-funded health care benefit programs; and

4 (D) has outstanding educational debt acquired in the pursuit of a

5 health-related undergraduate or graduate degree from an accredited college or

6 university which exceeds the amount of the loan repayment award.

7 (g) Additional eligibility and selection criteria will be developed annually
8 by the commissioner in consultation with AHEC and may include local goals
9 for improved service, community needs, or other awarding parameters.

10 (h) The commissioner may adopt regulations in order to implement the
11 program established in this section.

12 (i) As used in this section:

13 (1) "Health care educator" shall mean an individual employed by or
14 contracted by an accredited postsecondary institution in Vermont to teach in a
15 health care profession educational program.

16 (2) "Health care provider" shall mean an individual licensed, certified,
17 or authorized by law to provide professional health care service in this state to
18 an individual during that individual's medical or dental care, treatment, or
19 confinement.

1 (3) “Underserved community” shall mean a health professional shortage
2 area as defined by the U.S. Department of Health and Human Services.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on July 1, 2012.