

# HOUSE BILL No. 5772

July 18, 2012, Introduced by Reps. Cavanagh, McBroom, Foster and Ananich and referred to the Committee on Education.

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
(MCL 333.1101 to 333.25211) by adding sections 2759 and 2761.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 2759. (1) FOR THE PURPOSE OF REPAYING ALL OF HIS OR HER  
2        STATE AND FEDERAL QUALIFIED EDUCATION LOANS, THE DEPARTMENT MAY  
3        AWARD A LOAN REPAYMENT GRANT TO A DESIGNATED HEALTH PROFESSIONAL  
4        WHO AGREES TO ENGAGE IN A DESIGNATED FRONTLINE HEALTH PRACTICE FOR  
5        A PERIOD OF AT LEAST 2 YEARS IN AN AREA OF THE STATE THAT IS A  
6        CRITICAL NEEDS AREA FOR PRIMARY HEALTH CARE. FOR THE FIRST 2 YEARS  
7        OF HIS OR HER PRACTICE IN A CRITICAL NEEDS AREA FOR PRIMARY HEALTH  
8        CARE, THE RECIPIENT SHALL RECEIVE A LOAN REPAYMENT GRANT IN THE  
9        AMOUNT OF \$40,000.00. FOR EACH ADDITIONAL YEAR OF HIS OR HER

1 PRACTICE IN THAT AREA AFTER 2 YEARS, FOR A MAXIMUM OF 4 ADDITIONAL  
2 YEARS, THE RECIPIENT SHALL RECEIVE A LOAN REPAYMENT GRANT IN THE  
3 AMOUNT OF \$10,000.00.

4 (2) THE DEPARTMENT SHALL USE ANY MONEY AVAILABLE UNDER THE  
5 PROGRAM TO APPLY FOR AND RECEIVE FEDERAL MATCHING FUNDS FROM THE  
6 NATIONAL HEALTH SERVICE CORPS TO ASSIST IN THE REPAYMENT OF  
7 QUALIFIED EDUCATION LOANS FOR DESIGNATED HEALTH PROFESSIONALS WHO  
8 AGREE TO PRACTICE IN A CRITICAL NEEDS AREA FOR PRIMARY HEALTH CARE.

9 (3) THE DEPARTMENT MAY AWARD A LOAN REPAYMENT GRANT UNDER THIS  
10 SECTION TO AN INDIVIDUAL DETERMINED BY THE DEPARTMENT TO MEET ALL  
11 OF THE FOLLOWING ELIGIBILITY CRITERIA:

12 (A) IS AN INDIVIDUAL DESCRIBED IN SUBSECTION (4).

13 (B) HAS SIGNED A WRITTEN GRANT AGREEMENT WITH THE DEPARTMENT  
14 THAT CONTAINS THE TERMS AND CONDITIONS OF THE GRANT AWARD. THE  
15 AGREEMENT SHALL INCLUDE THE RECIPIENT'S AGREEMENT TO ENGAGE IN A  
16 DESIGNATED FRONTLINE HEALTH PRACTICE FOR AT LEAST 2 YEARS AFTER  
17 EXECUTION OF THE AGREEMENT IN AN AREA OF THE STATE THAT IS A  
18 CRITICAL NEEDS AREA FOR PRIMARY HEALTH CARE AT THAT TIME. THE  
19 AGREEMENT ALSO MUST SPECIFY THE TOTAL AMOUNT OF THE LOAN REPAYMENT  
20 AND A SCHEDULE FOR MAKING PAYMENTS TO THE RECIPIENT.

21 (C) UNLESS HE OR SHE IS A PHYSICIAN DESCRIBED IN SUBSECTION  
22 (4) (C), HAS RESIDED CONTINUOUSLY IN THIS STATE FOR THE 12 MONTHS  
23 IMMEDIATELY PRECEDING THE DATE OF HIS OR HER APPLICATION AND IS NOT  
24 A RESIDENT OF ANY OTHER STATE.

25 (D) HAS NOT BEEN CONVICTED OF A FELONY INVOLVING AN ASSAULT,  
26 PHYSICAL INJURY, OR DEATH.

27 (E) MEETS ANY OTHER STANDARDS ESTABLISHED IN RULES PROMULGATED

1 BY THE DEPARTMENT.

2 (4) THE DEPARTMENT SHALL GIVE PRIORITY IN AWARDING LOAN  
3 REPAYMENT GRANTS TO DESIGNATED HEALTH PROFESSIONALS ACCORDING TO  
4 THE FOLLOWING:

5 (A) GRADUATES OF QUALIFIED STATE SCHOOLS OR INDIVIDUALS WHO  
6 HAVE COMPLETED SUCCESSFULLY A RESIDENCY TRAINING PROGRAM IN THIS  
7 STATE, IF APPLICABLE.

8 (B) INDIVIDUALS WHO WERE BORN IN THIS STATE AND WHO HAVE  
9 COMPLETED TRAINING IN A CERTIFIED RESIDENCY PROGRAM, IF APPLICABLE,  
10 OUTSIDE OF THIS STATE.

11 (C) PHYSICIANS WHO ARE PRACTICING OUTSIDE OF THIS STATE, WHO  
12 RECEIVED TRAINING AT A MEDICAL SCHOOL OUTSIDE OF THIS STATE, AND  
13 WHO ARE BOARD CERTIFIED IN ANY OF THE SPECIALTY FIELDS DESCRIBED IN  
14 SECTION 2751(2)(C)(i).

15 (5) IF A LOAN REPAYMENT GRANT RECIPIENT FAILS TO ENGAGE IN A  
16 DESIGNATED FRONTLINE HEALTH PRACTICE FOR AT LEAST 2 YEARS IN A  
17 CRITICAL NEEDS AREA FOR PRIMARY HEALTH CARE DESIGNATED IN HIS OR  
18 HER SCHOLARSHIP AGREEMENT, HE OR SHE MUST REPAY ALL OF THE GRANT  
19 MONEY HE OR SHE RECEIVED UNDER THIS SECTION TO THE DEPARTMENT. THE  
20 AMOUNT HE OR SHE IS OBLIGATED TO REPAY UNDER THIS SUBSECTION IS DUE  
21 AND PAYABLE, WITH INTEREST AT THE RATE ESTABLISHED BY THE  
22 DEPARTMENT UNDER SECTION 2761, WITHIN 90 DAYS.

23 SEC. 2761. ALL OF THE FOLLOWING APPLY IF A SCHOLARSHIP  
24 RECIPIENT IS REQUIRED TO REPAY HIS OR HER SCHOLARSHIP PROCEEDS  
25 UNDER SECTION 2757(3) OR A LOAN REPAYMENT GRANT RECIPIENT IS  
26 REQUIRED TO REPAY HIS OR HER GRANT PROCEEDS UNDER SECTION 2759(5):

27 (A) THE AMOUNT OF INTEREST DUE IS EQUAL TO THE ANNUAL RATE OF

1 RETURN ON THE FUND FOR EACH YEAR FROM THE TIME THE RECIPIENT  
2 RECEIVED THE SCHOLARSHIP OR LOAN REPAYMENT GRANT UNTIL THE TIME THE  
3 SCHOLARSHIP OR LOAN REPAYMENT GRANT IS REPAYED, AS DETERMINED BY THE  
4 DEPARTMENT.

5 (B) THE DEPARTMENT MAY BRING SUIT AGAINST ANY SCHOLARSHIP OR  
6 GRANT RECIPIENT TO RECOVER THE AMOUNT DUE TO THIS STATE UNDER  
7 SECTION 2757(3) OR 2759(5) FOR THE RECIPIENT'S FAILURE TO COMPLY  
8 WITH THE CONDITIONS ON WHICH THE SCHOLARSHIP OR GRANT WAS AWARDED,  
9 AS PROVIDED IN THIS ACT AND IN THE SCHOLARSHIP OR GRANT AGREEMENT  
10 BETWEEN THE RECIPIENT AND THE DEPARTMENT.

11 (C) THE DEPARTMENT IS AUTHORIZED TO POSTPONE OR FORGIVE THE  
12 REPAYMENT OF ALL OR PART OF THE AMOUNT OF THE SCHOLARSHIP OR GRANT  
13 THAT A RECIPIENT RECEIVED AND THE INTEREST THAT WOULD OTHERWISE BE  
14 DUE UNDER SECTION 2757(3) OR 2759(5) IF THE RECIPIENT'S FAILURE TO  
15 COMPLY WITH THE CONDITIONS ON WHICH THE SCHOLARSHIP OR GRANT WAS  
16 AWARDED IS DUE TO CIRCUMSTANCES BEYOND THE RECIPIENT'S CONTROL THAT  
17 CAUSED THE RECIPIENT TO BE PHYSICALLY UNABLE TO COMPLY WITH THOSE  
18 CONDITIONS, SUCH AS SUFFERING A SEVERE ILLNESS, INJURY, OR OTHER  
19 DISABLING CONDITION.

20 Enacting section 1. This amendatory act does not take effect  
21 unless all of the following bills of the 96th Legislature are  
22 enacted into law:

23 (a) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
24 02833'11).

25 (b) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
26 05990'12).

27 (c) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.

1 05991'12) .