

Senate Bill No. 325

(By Senators Stollings, Jenkins, Kirkendoll, Laird, Miller,
Palumbo, Plymale, Prezioso, Tucker, Yost, Boley, M. Hall, Unger,
Fitzsimmons, Beach, Carmichael and Nohe)

**Interim
Bill**

[Introduced February 20, 2013; referred to the Committee on
Education; and then to the Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by
adding thereto a new article, designated §16-45-1, §16-45-2,
§16-45-3, §16-45-4, §16-45-5 and §16-45-6, all relating to
creating a loan forgiveness program for health professionals.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended
by adding thereto a new article, designated §16-45-1, §16-45-2,
§16-45-3, §16-45-4, §16-45-5 and §16-45-6, all to read as follows:

**ARTICLE 45. HEALTH PROFESSIONAL EDUCATION LOAN FORGIVENESS
PROGRAM.**

§16-45-1. Definitions.

For purposes of this section, the following definitions apply:

"Advanced nurse practitioner" means a person who is licensed

1 to practice as an advanced practice nurse.

2 "Bureau" means the Bureau for Public Health.

3 "Commissioner" means the Commissioner of the Bureau for Public
4 Health.

5 "Dentist" means a person who is licensed to practice as a
6 dentist.

7 "Dental hygienist" means a person who is licensed to practice
8 as a dental hygienist.

9 "Emergency circumstances" means those conditions that make it
10 impossible for the participant to fulfill the service commitment
11 including death, total and permanent disability or temporary
12 disability lasting more than two years.

13 "Medical resident" means a person participating in a medical
14 residency.

15 "Nurse" means a person who is licensed to practice as a
16 licensed practical nurse or registered nurse.

17 "Nurse-midwife" means a person who is licensed to practice as
18 a nurse-midwife.

19 "Pharmacist" means a person who is licensed to practice as a
20 pharmacist.

21 "Physician" means a person who is licensed to practice
22 medicine.

23 "Physician assistant" means a person licensed as a physician

1 assistant.

2 "Qualified educational loan" means a government, commercial or
3 foundation loan for actual costs paid for tuition, reasonable
4 education expenses and reasonable living expenses related to the
5 graduate or undergraduate education of a health care professional.

6 **§16-45-2. Health Professional Education Loan Forgiveness.**

7 (a) There is created a Special Revolving Fund account under
8 the Bureau for Public Health in the State Treasury to be known as
9 the Health Professional Education Loan Forgiveness Fund which shall
10 be used to carry out the purposes of this section. The fund
11 consists of:

12 (1) Appropriations provided by the Legislature;

13 (2) Repayment of loans made under this section;

14 (3) Amounts provided by medical provider organizations in this
15 state or by political subdivisions of the state under an agreement
16 which requires the recipient to practice his or her profession in
17 the political subdivision providing the funds, or otherwise in this
18 state, for a predetermined period of time and that thirty percent
19 of their practice be dedicated to persons who receive services
20 under the state Medicaid program set forth in chapter nine of this
21 code; and

22 (4) Other amounts available from external sources.

23 (b) Balances remaining in the fund at the end of the fiscal

1 year do not expire or revert. All costs associated with
2 administering this section shall be paid from the Health
3 Professional Education Loan Forgiveness Fund.

4 **§16-45-3. Eligibility.**

5 (a) To be eligible to participate in the loan forgiveness
6 program, a person must:

7 (1) Be a medical resident or be enrolled in a dentist, dental
8 hygienist, pharmacist, advanced nurse practitioner, nurse-midwife,
9 nurse anesthetist, advanced clinical nurse specialist, registered
10 nurse or a licensed practical nurse training program; and

11 (2) Agree to work in a designated rural area or for a state
12 mental health facility.

13 (b) An applicant selected to participate shall sign a contract
14 to agree to serve a minimum three-year, full-time service
15 obligation.

16 **§16-45-4. Loan forgiveness.**

17 (a) The Commissioner of Public Health may select applicants
18 each year for participation in the loan forgiveness program within
19 the limits of available funding. The commissioner shall distribute
20 available funds for loan forgiveness proportionally among the
21 eligible professions according to the vacancy rate for each
22 profession in the required geographic area, facility type, teaching
23 area, patient group or specialty type.

1 (b) The participant shall provide the commissioner with
2 verification that the full amount of loan repayment disbursement
3 received by the participant has been applied toward the designated
4 loans. After each disbursement, verification must be received by
5 the commissioner and approved before the next loan repayment
6 disbursement is made. Participants who move their practice remain
7 eligible for loan repayment as long as they practice as required
8 under section three of this article.

9 **§16-45-5. Penalty for nonfulfillment.**

10 If a participant does not fulfill the required minimum
11 commitment of service, the commissioner shall collect from the
12 participant the total amount paid to the participant under the loan
13 forgiveness program plus interest. The commissioner shall deposit
14 the money collected in the Health Care Access Fund to be credited
15 to the Health Professional Education Loan Forgiveness program
16 account. The commissioner shall allow waivers of all or part of the
17 money owed the commissioner as a result of a nonfulfillment penalty
18 if emergency circumstances prevented fulfillment of the minimum
19 service commitment.

20 **§16-45-6. Report.**

21 No later than thirty days following the end of each fiscal
22 year, the commissioner shall prepare and submit a report to the
23 Governor and the Joint Committee on Health. At a minimum, the

1 report shall include the following information:

2 (1) The number of loans awarded in each area;

3 (2) The total amount of the loans awarded;

4 (3) The amount of any unexpended moneys in the fund; and

5 (4) The rate of default during the previous fiscal year on the
6 repayment of loans granted pursuant to this section.

NOTE: The purpose of this bill is to create a loan forgiveness program for health professionals.

This article is new; therefore, strike-throughs and underscoring have been omitted.

This bill has been recommended for passage during the 2013 Regular Session by the Joint Committee on Health.