WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Committee Substitute

for

House Bill 2882

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[Originating in the Committee on Finance, February

22, 2019.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §18C-3-5, relating to creating health professionals' student loan programs; 2 3 providing legislative findings and purpose; establishing a program known as the Nonresident Medical Student Tuition Regularization Program; providing for in-state tuition 4 5 rates to out-of-state medical and osteopathic students who agree to practice for a specific 6 time in underserved locations and fields within West Virginia; establishing the program 7 eligibility requirements and application procedures; establishing violations and civil 8 penalties for the failure to complete the required service; creating a special revenue 9 account for the program management; and providing for legislative rule making.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. HEALTH PROFESSIONALS STUDENT LOAN PROGRAMS.

§18C-3-5. Non-resident Medical Student Tuition Regularization Program.

- 1 (a) *Findings*. The Legislature finds as follows:
- 2 (1) There is a critical need for additional primary care physicians practicing in West
- 3 <u>Virginia;</u>
- 4 (2) West Virginia has an aging population, and an increasing need for recruiting primary
- 5 <u>care physicians and placing primary care physicians in rural areas of the state;</u>
- 6 (3) West Virginia has a historically low retention rate of state resident medical students
- 7 <u>following graduation;</u>
- 8 (4) Efforts by the medical schools in West Virginia to increase class sizes as a means of
- 9 increasing the number of physicians practicing in the state have been largely ineffective;
- 10 (5) The primary care field of practice yields a lower wage than other medical specialties
- 11 and maintains an extreme shortage of practicing physicians, particularly in rural areas of the state;
- 12 (6) The high cost of nonresident medical education tuition, and resulting high level of debt
- 13 incurred by students, often prohibit nonresident graduates who remain in the state from entering
- 14 <u>a primary care practice;</u>

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- 15 (7) Many nonresident medical students in West Virginia have indicated that they would be
- 16 willing to remain in the state as a practicing physician if it was affordable;

17 (8) A waiver of the state resident to nonresident tuition rate differential would offset the

- 18 <u>significant student debt load incurred by nonresident medical school graduates;</u>
- 19 (9) Beginning a medical practice with up to four years committed to practicing medicine in
- 20 <u>a specific area has a strong likelihood of influencing a nonresident medical school graduate to</u>
- 21 remain in that area following the service commitment;
- 22 (10) Investing resources, developing professional networks, and creating community ties
- 23 all serve to create permanent connections to an area for an individual who is not originally from
- 24 that area; and
- 25 (11) Attracting practicing physicians to rural and medically under-served areas of the state
- 26 will further attract related health-care professionals that support a medical practice or facility and
- 27 <u>will expand the economic and job-growth potential of such areas.</u>
- 28 (b) Purpose. It is the purpose of this section to offer nonresident medical students a
- 29 partial tuition waiver as a means of recruiting practicing physicians to under-served areas, and to
- 30 primary care and practitioner shortage fields in West Virginia.
- 31 (c) Program established. There is created the Nonresident Medical Student Tuition
- 32 Regularization Program to be administered by the Vice Chancellor for Health Sciences in
- 33 <u>cooperation with the deans of the three medical schools in the state.</u>
- 34 (1) Two nonresident medical students from each medical school in the state are selected
 35 annually to participate in the program subject to the exception provided in subsection (f) of this
- 36 <u>section.</u>
- 37 (2) Each student selected is charged the state resident tuition rate for each academic year
- 38 he or she is enrolled in the program, and has the cost differential between the resident and
- 39 nonresident rates waived by the institution at which he or she is enrolled.

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40 (3) For each academic year that a medical student participates in the program, he or she 41 shall commit to render services for one calendar year as a medical doctor or a doctor of 42 osteopathy in this state in a medically under-served area or in a primary care or specialty practice 43 or field in which there is a shortage of physicians, as determined by the Division of Health at the 44 time the application for the program is submitted. The service commitment begins within six 45 months after graduation from an accredited residency program. 46 (4) Once selected to participate in the program, a student may continue in the program for 47 as long as he or she continues to meet the eligibility criteria in subsection (d) of this section, for a 48 maximum of four academic years. 49 (d) *Eligibility.* — An individual is eligible for enrollment or continuation in the program if he 50 or she meets the following criteria: 51 (1) Is enrolled or accepted for enrollment at the West Virginia University School of 52 Medicine, the Marshall University School of Medicine, or the West Virginia School of Osteopathic 53 Medicine in a program leading to the degree of medical doctor (M.D.) or doctor of osteopathy 54 (D.O.); 55 (2) Has not yet received one of the degrees provided in subdivision (1) of this subsection; 56 (3) Satisfies the academic standards established by the program rule; 57 (4) Is not in default of any previous student loan; 58 (5) Is a nonresident student who is charged nonresident tuition rates; 59 (6) Commits to render services for one calendar year as a medical doctor or a doctor of 60 osteopathy in this state in a medically under-served area or in a primary care or specialty practice 61 or field in which there is a shortage of physicians for each academic year for which he or she 62 participates in the program; 63 (7) Submits to the commission: 64 (A) An application for enrollment in the program as provided by the commission; and

- 65 (B) A sworn statement of commitment to service on a form provided by the commission
- 66 <u>for that purpose; and</u>
- 67 (8) Other criteria as established by the program rule.
- 68 (e) Penalty for failure to satisfy service commitment. –
- 69 (1) A program participant violates the service commitment if he or she:
- 70 (A) Fails to render services as a medical doctor or doctor of osteopathy in accordance with
- 71 the sworn statement he or she submitted to the commission. This includes failure to begin serving
- 72 within six months of completing an accredited residency program, or failure to complete each one-
- 73 year term to which he or she committed to serve; or
- 74 (B) Fails to complete or remain enrolled in the medical education program for which he or
- 75 she obtained the tuition waiver.
- 76 (2) A program participant who violates the service commitment is subject to the following:
- 77 (A) He or she shall repay the amount of nonresident tuition charges waived plus interest
- 78 <u>at a rate of five percent per annum;</u>
- 79 (B) The granting or renewal of a license to practice medicine in West Virginia or to 80 reciprocal licensure in another state based upon licensure in West Virginia is contingent upon 81 commencing payment and continuing payment until full repayment of the obligation if the recipient 82 fails to complete the required practice commitment. A license, renewal or reciprocity may not be 83 granted to an individual whose repayments are in arrears. The West Virginia Board of Medicine 84 shall inform all other states where a recipient has reciprocated based upon West Virginia licensure 85 of any refusal to renew licensure in West Virginia as a result of failure to repay the tuition amount.
- 86 (f) Rule. The commission shall promulgate a rule in accordance with §18B-1-6 of this
- 87 <u>code to implement this section. The rule shall provide for:</u>
- 88 (1) A method for selecting annually the six new students to be enrolled in the program.
- 89 with priority consideration to applicants in the earliest academic years of the medical education
- 90 program;

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- 91 (2) A method for selecting greater or fewer than two participants from a single medical
- 92 school in any year where two suitable applicants are not available at each school;
- 93 (3) A method for the applicant to select the service area or specialty to which he or she
- 94 commits to practice medicine;
- 95 (4) A method for developing a mutually agreeable modification to the terms of a
- participant's service commitment regarding the medically under-served area or primary care or 96
- 97 specialty practice or field in which he or she committed to serve under circumstances where the
- 98 Division of Health determines at the time the participant's service commitment is scheduled to
- 99 commence that the area is no longer medically under-served or that primary care or service
- 100 specialty is no longer experiencing a physician shortage;
- 101 (5) Provisions for enforcing sanctions against a participant who fails to satisfy the service
- 102 commitment; and
- 103 (6) Such other provisions as the commission considers necessary to administer the 104 program.
- 105 (g) There is created in the State Treasury a special revenue account to be designated the
- 106 "Nonresident Medical Student Tuition Regularization Fund" which is an interest-bearing account
- 107 that may be invested and retain all earnings. Expenditures from the fund shall be for the purposes
- 108 set forth in this section and are to be made only in accordance with appropriation by the
- 109 Legislature and in accordance with §11B-2-1 et seq. of this code.