



Ohio Legislative Service Commission

Bill Analysis

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S.B. 66

131st General Assembly
(As Introduced)

Sens. Tavares, Thomas, Skindell

BILL SUMMARY

- Requires the Director of Health to establish and administer the Ohio Health Care Professional Loan Repayment Program.
- Specifies that the Program is in addition to and administered separately from the existing Physician, Dentist, and Dental Hygienist Loan Repayment Programs.
- Specifies participant qualifications for the Program.
- Requires the Director of Health to adopt rules related to the Program's administration, including grant amounts, service obligations, and penalties for failure to complete service obligations.
- Specifies the types of sites where the Program's participants may work.
- Authorizes the Director to solicit and accept gifts and grants to be used for the Program.

CONTENT AND OPERATION

Ohio Health Care Professional Loan Repayment Program

Creation and purpose

The bill requires the Director of Health to establish and administer the Ohio Health Care Professional Loan Repayment Program. The Program is to be modeled on the National Health Services Corps Loan Repayment Program. The bill specifies that the Program is in addition to and administered separately from the existing Physician Loan

Repayment Program,¹ Dentist Loan Repayment Program,² and Dental Hygienist Loan Repayment Program³ (see **COMMENT**, below).⁴

To the extent funds are available, the Program must provide grants to health care professionals to assist in their repayment of qualifying educational loans.⁵ A "qualifying educational loan" is an outstanding government or commercial loan for undergraduate or graduate education that is obtained and used solely for tuition and other reasonable educational expenses and for reasonable living expenses.⁶

Administration

The bill requires the Director of Health to adopt rules for the Ohio Health Care Professional Loan Repayment Program's administration. Among those must be rules to establish the grant amounts that Program participants may receive, participants' service obligations, and monetary penalties for failure to complete service obligations. (The rules may provide for varying grant amounts based on a participant's length of service obligations and whether the service is to be full-time or part-time.⁷) In addition, the rules must specify Program application fees and the information and supporting documentation that Program applicants must submit to the Director.⁸ All rules must be adopted in accordance with the Administrative Procedure Act (R.C. Chapter 119.).

Participant health service sites

The bill authorizes the Director of Health to designate the health service sites at which Ohio Health Care Professional Loan Repayment Program participants may work. These may be any health care facility that provides outpatient primary health services to persons residing in urban or rural health resource shortage areas.⁹ Under existing

¹ The Physician Loan Repayment Program is established and administered pursuant to R.C. 3702.71 through 3702.81, not in the bill.

² The Dentist Loan Repayment Program is established and administered pursuant to R.C. 3702.85 through 3702.95, not in the bill.

³ The Dental Hygienist Loan Repayment Program is established and administered pursuant to R.C. 3702.96 through 3702.967, not in the bill.

⁴ R.C. 4782.02.

⁵ R.C. 4782.02.

⁶ R.C. 4782.01(B).

⁷ R.C. 4782.03.

⁸ R.C. 4782.03.

⁹ R.C. 4782.05.



law, a health resource shortage area is an area, designated by the Director, that experiences special health problems and physician practice patterns that limit access to medical care. Designation as a health resource shortage area may apply to a geographic area, one or more facilities within a particular area, or a population group within a particular area. The Director must make the designations by rule. The Director must consider for designation as a health resource shortage area any area in Ohio that has been designated by the U.S. Secretary of Health and Human Services as a "health manpower shortage area" under Title III of the federal "Public Health Service Act" (see **COMMENT**, below).¹⁰ In addition, the Director must designate each free clinic as a health resource shortage area regardless of whether the clinic is located in a geographic area that is designated as a health resource shortage area.¹¹

Participant qualifications

Authorized health care professionals

The bill requires the Director of Health to accept and consider an application for the Ohio Health Care Professional Loan Repayment Program from any of the following health care professionals who are authorized to practice in Ohio:¹²

--A physician who practices a primary care specialty and (1) is certified in a primary care specialty from a specialty board approved by the American Board of Medical Specialties or the American Osteopathic Association or (2) has completed, or will complete prior to commencing service, a residency program in a primary care specialty that is approved by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association. (The bill defines a "primary care specialty" as any of the following: (a) in the case of a physician or physician assistant, family practice, obstetrics and gynecology, general internal medicine, geriatrics, pediatrics, and psychiatry, (b) in the case of a certified nurse practitioner, adult practice, family practice, pediatrics, psychiatric-mental health, geriatrics, and women's health, or (c) in the case of a dentist, general dentistry and pediatric dentistry.¹³)

--A physician assistant who practices under the supervision of a physician who practices a primary care specialty.

--A certified nurse practitioner who practices a primary care specialty.

¹⁰ R.C. 3702.76, not in the bill.

¹¹ R.C. 3702.76, not in the bill.

¹² R.C. 4782.06.

¹³ R.C. 4782.01(A).

- A certified nurse-midwife;
- A clinical nurse specialist who specializes in psychiatric or mental health services;
- A dentist who practices a primary care specialty;
- A dental hygienist;
- An independent marriage and family therapist;
- A licensed professional clinical counselor;
- A licensed independent social worker;
- A psychologist who has passed the examination for the professional practice of psychology.

Additional requirements

In addition to being one of the health care professionals specified above, a health care professional must meet all of the following requirements:¹⁴

- Be a U.S. citizen or national by birth or naturalization;
- Participate or be eligible to participate as a provider in one or more of the following: Medicare, Medicaid, and the Children's Health Insurance Program;
- Have accepted a position at a designated health service site (see above);
- Not have any outstanding service obligation for health professional or other service to the federal government or another entity that will not be completed before participation in the Program begins;
- Not be in breach of a health professional service obligation to the federal government or a state or local government; and
- Not be excluded, debarred, suspended, or disqualified by a federal agency for misconduct.

¹⁴ R.C. 4782.07.

Applications

The bill specifies that application for the Ohio Health Care Professional Loan Repayment Program must be made on a form developed and provided by the Department of Health. An application is complete only if it includes all information and supporting documentation required by rules the Director must adopt under the bill. The application must be accompanied by any fee required by those rules.¹⁵

Selection of Program participants

The bill requires the Director to select Program participants. In considering applications, the Director must consider each qualified applicant on the basis of the applicant's ability and service commitment to the medically underserved in health resource shortage areas. The Director is required to determine the amount of each grant and each participant's service obligation in accordance with rules the Director must adopt under the bill.¹⁶

Fulfillment of service obligation

A health care professional who accepts a grant from the Ohio Health Care Professional Loan Repayment Program must fulfill the service obligation specified by the Director. A health care professional who fails to fulfill a service obligation without good cause must repay the amount accepted and the monetary penalty specified in rules the Director is required to adopt under the bill. The Director must determine whether there is good cause for failure to complete a service obligation. The Director's decision is final.¹⁷

Gifts and grants

The bill authorizes the Director to solicit and accept gifts and grants to be used for the Ohio Health Care Professional Loan Repayment Program. Associated with this authorization, the bill creates the Health Care Professional Loan Repayment Program Fund. The bill requires that any gifts or grants, application fees, amounts received due to failure to complete service obligations, and amounts appropriated by the General Assembly be deposited into the state treasury to the credit of the Fund.¹⁸

¹⁵ R.C. 4782.08.

¹⁶ R.C. 4782.09.

¹⁷ R.C. 4782.09.

¹⁸ R.C. 4782.03.

COMMENT

Health professional shortage areas

Section 332 of the Public Health Service Act¹⁹ now classifies a "health manpower shortage area" as a "health professional shortage area." The Act defines this term as any of the following:

--An area in an urban or rural area which the Secretary determines has a health manpower shortage and which is not reasonably accessible to an adequately served area;

--A population group which the Secretary determines has such a shortage; or

--A public or nonprofit private medical facility or other public facility which the Secretary determines has such a shortage.

Existing health professional loan repayment programs

Physicians, dentists, and dental hygienists

The Physician Loan Repayment Program, Dentist Loan Repayment Program, and Dental Hygienist Loan Repayment Program offer funds to repay some or all of the educational loans of physicians, dentists, or dental hygienists who agree to provide primary care services, dental services, or dental hygiene services in health resource shortage areas or dental health resource shortage areas.²⁰ Under the programs, a physician, dentist, or dental hygienist enters into a contract with the Director of Health agreeing to provide primary care, dental services, or dental hygiene services for a minimum of 20 hours a week for at least two years without regard to a patient's ability to pay.²¹ In addition, the physician, dentist, or dental hygienist must provide the care or services in an outpatient or ambulatory setting (for physicians) or a service site (for dentists and dental hygienists) approved by the Department of Health and enter into a Medicaid provider agreement.²² In exchange, the physician, dentist, or dental hygienist

¹⁹ 42 United States Code (U.S.C.) 254e.

²⁰ R.C. 3702.75 (physicians), R.C. 3702.85 (dentists), and R.C. 3702.96 (dental hygienists).

²¹ R.C. 3702.71 and 3702.74(B) and (C) (physicians); R.C. 3702.91 (dentists); and R.C. 3702.965(C) and (D) (dental hygienists).

²² R.C. 3702.74(B) (physicians), R.C. 3702.91(C) (dentists), and R.C. 3702.965(D) (dental hygienists).

receives an amount, specified by the Department in the contract, to repay educational loans.²³

Nurses

The Nurse Education Assistance Program provides loans to students enrolled in a nurse education program.²⁴ The maximum annual loan amount is not to exceed \$3,000 for students completing a pre-licensure program of study and is not to be less than \$5,000 for students completing a post-licensure program of study.²⁵ The total loan amount cannot exceed \$12,000. Some or all of the principal and interest on a loan may be forgiven if the borrower secures full-time employment in the direct clinical practice of nursing or as a faculty member for a nurse education program in Ohio within six months following graduation. For pre-licensure programs, the rate of debt cancellation is 20% per year for up to five years. For post-licensure programs, the rate is 25% per year for up to four years.²⁶

National Health Services Corps Loan Repayment Program

The National Health Service Corps Loan Repayment Program recruits health professionals to work in selected health professional shortage areas and, in return, helps repay their qualifying educational loans. In addition to loan repayment, the professionals receive a competitive salary and some tax relief benefits. Maximum repayment during the required initial two-year contract is \$25,000 each year. Participants may extend loan repayments beyond two years, one year at a time, to the extent they have unpaid qualifying educational loans and serve at an eligible site. The following health professionals may participate: primary care physicians (those who practice family medicine, obstetrics and gynecology, general internal medicine, geriatrics, general pediatrics, and general psychiatry), primary care nurse practitioners, certified nurse-midwives, psychiatric nurse specialists, primary care physician assistants, dentists, dental hygienists, health service psychologists, licensed clinical social workers, licensed professional counselors, and marriage and family therapists.²⁷

²³ R.C. 3702.74(C) (physicians), R.C. 3702.91(D) (dentists), and R.C. 3702.965(D) (dental hygienists).

²⁴ R.C. 3333.28.

²⁵ R.C. Ohio Administrative Code (O.A.C.) 3333-1-22(E)(5).

²⁶ O.A.C. 3333-1-22(I).

²⁷ Benefits.gov, *National Health Service Corps Loan Repayment Program* (last visited August 13, 2015), available at <<http://www.benefits.gov/benefits/benefit-details/447>>; U.S. Department of Health and Human Services, Health Resources and Services Administration, *National Health Service Corps Loan Repayment Program* (last visited August 13, 2015), available at <<https://nhsc.hrsa.gov/downloads/lrpataglace.pdf>>.



HISTORY

ACTION

Introduced

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