SENATE BILL No. 32

By Committee on Public Health and Welfare

1-17

AN ACT concerning medical student and resident loan assistance; relating to medical student loan agreements; practice commitment agreements; providing for agreements for the practice of psychiatry; amending K.S.A. 76-387 and K.S.A. 2016 Supp. 76-381, 76-383 and 76-384 and repealing the existing sections.

1 2

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2016 Supp. 76-381 is hereby amended to read as follows: 76-381. As used in K.S.A. 76-380 through 76-386, and amendments thereto:

- (a) "Act" means the medical student loan act;
- (b) "approved postgraduate residency training program" means a residency training program in general pediatrics, general internal medicine, family medicine, family practice, emergency medicine, general psychiatry, child psychiatry or fellowship training in geriatric medicine;
- (c) "service commitment area" means: (1) Any community within any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte county; (2) any state medical care facility or institution; (3) any medical center operated by the veterans administration of the United States; (4) the full-time faculty of the university of Kansas school of medicine in family medicine—or, family practice, *general psychiatry or child psychiatry*; or (5) any community within Wyandotte county for purposes of any practice obligation under an agreement entered into by a person who is enrolled for the first time after July 1, 2004, in a course of study leading to the medical degree; and
- (d) "state medical care facility or institution" includes, but is not limited to, the Kansas state school for the visually handicapped, the Kansas state school for the deaf, any institution under the secretary for aging and disability services, as defined by—subsection (b) of K.S.A. 76-12a01, and amendments thereto, any institution under the commissioner of juvenile justice as defined by K.S.A. 2016 Supp. 38-2302, and amendments thereto, the Kansas soldiers' home, the Kansas veterans' home and any correctional institution under the secretary of corrections, as defined by—subsection (d) of K.S.A. 75-5202, and amendments thereto, but shall not include any state educational institution under the state board of regents, as defined by—subsection (a) of K.S.A. 76-711, and amendments

thereto, except as specifically provided by statute.

- Sec. 2. K.S.A. 2016 Supp. 76-383 is hereby amended to read as follows: 76-383. A medical student loan agreement entered into by the university of Kansas school of medicine and an undergraduate student enrolled in or admitted to the university of Kansas school of medicine in a course of instruction leading to the degree of doctor of medicine for the purpose of receiving a medical student loan under this act shall require that the person receiving the loan:
- (a) Complete the required course of instruction and receive the degree of doctor of medicine and apply for, enter and complete an approved postgraduate residency training program;
- (b) apply for and obtain a license to practice medicine and surgery in Kansas;
- (c) engage in the full-time practice of medicine and surgery for a period of 12 months within a service commitment area, except as otherwise provided in-subsection (e) of K.S.A. 76-384(c), and amendments thereto, for service as a full-time faculty member of the university of Kansas school of medicine in family medicine or, family practice, general psychiatry or child psychiatry;
- (d) commence such full-time practice of medicine and surgery within nine months after completion of an approved postgraduate residency training program and licensure in a service commitment area and continue such full-time practice in such service commitment area for a consecutive period of months equal to the total number of months required under the agreement;
- (e) agree that the service commitment for each agreement entered into under this act is in addition to the service commitment contained in any other agreement which has been or may be entered into under this act for the purpose of obtaining a medical student loan or under other agreements for the purpose of obtaining scholarship aid;
- (f) maintain records and make reports to the university of Kansas school of medicine to document the satisfaction of the obligation under such agreement to engage in the full-time practice of medicine and surgery within a service commitment area and to continue such full-time practice in such service commitment area for a consecutive period of months equal to the total number of months required under the agreement; and
- (g) upon failure to satisfy an agreement to engage in the full-time practice of medicine and surgery within a service commitment area for the required period of time under any such agreement, the person receiving a medical student loan under this act shall repay amounts to the university of Kansas school of medicine as provided in K.S.A. 76-385, and amendments thereto
- 42 thereto. 43 Sec. 3. K.S.A. 2016 Supp. 76-384 is hereby amended to read as

 follows: 76-384. (a) Upon the selection of a service commitment area for the purposes of satisfying a service obligation under a medical student loan agreement entered into under this act, the person so selecting shall inform the university of Kansas school of medicine of the service commitment area selected

- (b) A person serving in a service commitment area pursuant to any agreement under this act may serve all or part of any commitment in the service commitment area initially selected by such person. If such person moves from one service commitment area to another service commitment area, such person shall notify the university of Kansas school of medicine of such person's change of service commitment area. Service in any such service commitment area shall be deemed to be continuous for the purpose of satisfying any agreement entered into under this act.
- (c) A person receiving a medical student loan under this act, may satisfy the obligation to engage in the full-time practice of medicine and surgery in a service commitment area if the person serves as a full-time faculty member of the university of Kansas school of medicine in general internal medicine, general pediatrics, family medicine-or, family practice, general psychiatry or child psychiatry and serves two years for each one year of such obligation, or the equivalent thereof on a two-for-one basis, except that, at the time any person commences satisfying such service obligation as a full-time faculty member pursuant to this subsection, the number of persons satisfying service commitments or service obligations, pursuant to agreements under the medical student loan act, as full-time faculty members pursuant to this subsection shall not exceed the number equal to 25% of the total number of full-time faculty members of the university of Kansas school of medicine in general internal medicine, general pediatrics, family medicine-or, family practice, general psychiatry or child psychiatry.
- (d) A person may satisfy the obligation to engage in the full-time practice of medicine and surgery in a service commitment area by performing at least 100 hours per month of on-site primary care or mental health care at a medical facility or community mental health center operated by a local health department or mental health department or nonprofit organization in this state serving medically indigent persons. As used in this subsection, "medically indigent" means a person: (1) Who is unable to secure health care because of inability to pay for all or a part of the costs thereof due to inadequate personal resources, being uninsured, being underinsured, being ineligible for governmental health benefits; or (2) who is eligible for governmental benefits but is unable to obtain medical services; and "primary care" means general pediatrics, general internal medicine, family medicine and family practice.
 - Sec. 4. K.S.A. 76-387 is hereby amended to read as follows: 76-387.

1 2

(a) There is hereby established the Kansas medical residency bridging program at the university of Kansas school of medicine which shall be developed and implemented in order to provide encouragement, opportunities and incentives for persons in primary care *or mental health care* residency training programs in general pediatrics, general internal medicine, family medicine—or, family practice,—which general psychiatry or child psychiatry that are operated by or affiliated with the university of Kansas school of medicine or other such primary care *or mental health care* residency training program—which that is operated in Kansas and approved by the state board of healing arts and a person under subsection (i) to locate their medical practice in rural Kansas communities upon completion of such residency training. The Kansas medical residency bridging program shall be administered by the institute for rural health care of the university of Kansas school of medicine.

- (b) Subject to the provisions of appropriation acts, the university of Kansas school of medicine may enter into residency bridging loan agreements, in accordance with the provisions of this section;: (A) With any person who has completed the first year of a primary care or mental health care residency training program in general pediatrics, general internal medicine, family medicine—or, family practice,—which general psychiatry or child psychiatry that is operated by or affiliated with the university of Kansas school of medicine or other such primary care or mental health care residency training program—which that is operated in Kansas and approved by the state board of healing arts; and (B) with a person under subsection (i).
- (c) Subject to the provisions of appropriation acts, each person entering into a residency bridging loan agreement under this section shall receive a payment of \$5,000 each year of primary care *or mental health care* residency training, or any part of a year of such training, after the date that the residency bridging loan agreement is entered into by the resident and the university of Kansas school of medicine and, upon completion of the primary care *or mental health care* residency training program, a payment of \$6,000.
- (d) Each residency bridging loan agreement shall require that the person receiving the loan:
- (1) Complete the primary care *or mental health care* residency training program;
- (2) engage in the full-time practice of medicine and surgery in any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte for three years under a practice commitment agreement;
- (3) commence such full-time practice of medicine and surgery within 90 days after completing the primary care *or mental health care* residency training program; and

(4) upon failure to satisfy the obligation to engage in the full-time practice of medicine and surgery in accordance with the provisions of the residency bridging loan agreement and this section, the person receiving the loan under this section shall repay to the university of Kansas school of medicine, within 90 days of such failure, the amount equal to the amount of money received by such person from the university of Kansas school of medicine, less credits earned, under such agreement plus interest at the annual rate of 15% from the date such money was received.

- (e) An obligation to engage in the practice of medicine and surgery in accordance with the provisions of a residency bridging loan agreement and this section shall be postponed during: (1) Any period of temporary medical disability during which the person obligated is unable to practice medicine and surgery because of such medical disability; or (2) any other period of postponement agreed to or determined in accordance with criteria agreed to in the practice commitment agreement.
- (f) An obligation to engage in the practice of medicine and surgery in accordance with the provisions of a residency bridging loan agreement and this section shall be satisfied: (1) If the obligation to engage in the practice of medicine and surgery in accordance with such agreement has been completed; (2) if the person obligated dies; or (3) if, because of permanent physical disability, the person obligated is unable to practice medicine and surgery.
- (g) The university of Kansas school of medicine may adopt additional provisions, requirements or conditions for participation in the Kansas medical residency bridging program as are practicable and appropriate to accomplish the purposes of the program or as may be required for the implementation or administration of the program and, in any case, as are not inconsistent with the provisions of this section or the provisions of appropriation acts.
- (h) As used in this section, "practice commitment agreement" means an agreement to commence the full-time practice of medicine and surgery in a city located in any county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or Wyandotte county, which that:
- (1) Was entered into: (A) By a person in a primary care *or mental health care* residency training program in general pediatrics, general internal medicine, family medicine—or, family practice, *general psychiatry or child psychiatry*, that is operated by or affiliated with the university of Kansas school of medicine or other such primary care *or mental health care* residency training program—which that is operated in Kansas and approved by the state board of healing arts;; or (B) by a person under subsection (i) with the city where such practice is to commence or another contracting entity other than the university of Kansas school of medicine that is representative of the interests of such city;; and

(2) provides benefits to such person that have an aggregate monetary value equal to or greater than the aggregate amount of payments to such person from the university of Kansas school of medicine under a residency bridging loan agreement under this section.

- (i) A person who graduated from the university of Kansas school of medicine prior to July 1, 1992, who has completed the first year of a primary care residency training program in family practice which is operated outside the state of Kansas and who has entered into a practice commitment agreement with the north central Kansas health care foundation is eligible to enter into a residency bridging loan agreement under this section.
- Sec. 5. K.S.A. 76-387 and K.S.A. 2016 Supp. 76-381, 76-383 and 76-384 are hereby repealed.
 - Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.