

SENATE BILL NO. 343

May 24, 2019, Introduced by Senators VANDERWALL, LUCIDO and MACGREGOR and referred to the Committee on Health Policy and Human Services.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 2705 (MCL 333.2705), as amended by 2016 PA 499.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2705. (1) The department shall administer an essential
2 health provider repayment program for designated professionals who
3 have incurred a debt or expenses as a result of a loan taken to
4 attend a medical school, dental school, nursing program for the

1 training of certified nurse midwives, certified nurse
2 practitioners, or clinical nurse specialists-certified, or
3 physician's assistant program or as a result of providing services
4 in a health resource shortage area. The department may each year
5 repay all or part of a designated professional's debt or expenses,
6 but the amount repaid in any 1 year shall not exceed the amount
7 described in subsection (3). The department shall repay a debt or
8 expenses only for a designated professional who has entered into a
9 written contract with the department that requires the designated
10 professional to engage in the full-time practice of health care
11 services in a health resource shortage area to which he or she is
12 assigned by the department for a period equal in years to the
13 number of years for which the department has agreed in the contract
14 to make a debt or expense repayment, or for a period of 2 years,
15 whichever is greater.

16 (2) A debt or expense repayment on behalf of a designated
17 professional under subsection (1) for fulfilling a service
18 obligation for a particular year must be paid in a lump sum at the
19 completion of the service obligation for that year. A designated
20 professional who does not fulfill a service obligation for a
21 particular year forfeits his or her right to the debt or expense
22 repayment or any part of it for that year and the department may
23 treat an agreement for further debt or expense repayment in a
24 subsequent year as void. In its sole discretion, the department may
25 make a debt or expense repayment before or during each year of
26 service if there are extenuating circumstances. In its sole
27 discretion, the department may pay a pro rata amount of an agreed
28 debt or expense repayment to a designated professional or his or
29 her estate if 1 of the following occurs before the completion of

1 the designated professional's service obligation:

2 (a) The designated professional dies.

3 (b) The designated professional is unable, by reason of
4 permanent disability, to render the service.

5 (c) Other circumstances prevail that are considered by the
6 department to constitute a compelling reason to consider the
7 service obligation fulfilled.

8 (3) In any year of a debt or expense repayment program, the
9 maximum amount of a debt or expense repayment is \$40,000.00 per
10 year. ~~The~~ **Except as otherwise provided in this subsection, the**
11 maximum amount of debt or expense repayment the department may pay
12 on behalf of a designated professional is \$200,000.00, paid over a
13 period of 4 years or more. **If a designated professional agrees to a**
14 **term of service of 10 years or more in the written contract**
15 **described in subsection (1), the maximum amount of debt or expense**
16 **repayment the department may pay on behalf of the designated**
17 **professional is \$250,000.00, paid over a period of 10 years or**
18 **more.** The written contract described in subsection (1) must include
19 the amount the department shall pay on behalf of a designated
20 professional and the amount payable for each year of service.

21 (4) The department may accept funds from any source for the
22 operation of the essential health provider repayment program, and
23 the department shall distribute those funds in a manner consistent
24 with this section.

25 (5) The department shall give the essential health provider
26 repayment program created by this section priority over the other
27 programs created under this part.