



AN ACT ESTABLISHING REQUIREMENTS FOR CONTRACTS INVOLVING PARTICIPATION IN THE WASHINGTON, WYOMING, ALASKA, MONTANA, AND IDAHO MEDICAL EDUCATION PROGRAM; REVISING FEES BASED ON A STUDENT'S RETURN TO MONTANA TO PRACTICE MEDICINE; REQUIRING REPAYMENT OF STATE-PAID SUPPORT FEES FOR FAILURE TO HONOR CONTRACT REQUIREMENTS; PROVIDING FOR SUSPENSION AND WAIVER OF REPAYMENT IN CERTAIN SITUATIONS; AMENDING SECTIONS 20-26-1501, 20-26-1502, AND 20-26-1503, MCA; AND PROVIDING AN APPLICABILITY DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Contract requirements for university of Washington cooperative medical education program. (1) (a) An individual accepted into the cooperative medical education program with the university of Washington school of medicine shall, before confirming enrollment in the program, enter into a contract specifying whether the individual will commit to entering active full-time professional practice in Montana for a period of 3 years within 1 year of obtaining professional status.

(b) Residency in a family medicine residency program in Montana must be credited toward the practice requirement of this section at a rate of one-third year for each year of service in the residency program.

(2) An individual who decides against committing to entering full-time professional practice in Montana shall pay 2.5 times the fee established in 20-26-1502. The fee must be deposited in the state special revenue account provided for in 20-26-1501.

(3) (a) An individual who fails to honor a commitment to return to Montana to enter full-time professional practice for the full 3-year period shall repay the full amount of the individual medicine support fee paid by the state for the individual's medical education.

(b) Repayment must begin within 1 year of obtaining professional status and must be completed within 10 years of the date the repayment requirement began.

(c) Interest must accrue at the time the loan becomes due at a rate equal to the rate for the federal Stafford loan, adjusted annually but not to exceed 8%.

(4) The repayment obligation may be:

(a) suspended if repayment is temporarily impossible or would create extreme hardship for a temporary period, including but not limited to suspension for medical reasons, personal reasons, parental leave, or call to active duty in the armed forces; or

(b) waived if repayment is permanently impossible or would create extreme hardship, including but not limited to death, inability to complete the program, or inability to obtain professional status due to disability or another reason.

(5) The board of regents may adopt policies to carry out the provisions of this section including but not limited to:

(a) determination of the time at which an individual obtains professional status; and

(b) the circumstances under which repayment of the medicine support fee may be suspended or waived.

Section 2. Section 20-26-1501, MCA, is amended to read:

"20-26-1501. Incentive for physicians practicing in rural areas or medically underserved areas or for underserved populations state special revenue account. There is an incentive for physicians practicing in rural areas or medically underserved areas or for underserved populations state special revenue account. Money is payable into the account as provided in 17-1-511, and 20-26-1502, and [section 1]. Income and earnings on the account must be redeposited in the account. The account must be administered by the board of regents as provided in this part."

Section 3. Section 20-26-1502, MCA, is amended to read:

"20-26-1502. Fee assessments -- deposits. (1) The board of regents may assess a fee to students preparing to be physicians in the fields of medicine or osteopathic medicine who are supported by the state pursuant to an interstate compact for a professional education program in those fields, as those fields are defined by the compact.

(2) The Except as provided in [section 1], the fee may not exceed an amount equal to 16% of the annual individual medicine support fee paid by the state pursuant to 20-25-804.

(3) The fee provided for in [section 1] and this section must be assessed by the board of regents and deposited in the state special revenue account established in 20-26-1501."

Section 4. Section 20-26-1503, MCA, is amended to read:

"20-26-1503. Use of incentive for physicians practicing in rural areas or medically underserved areas or for underserved populations state special revenue account. (1) The state special revenue account established in 20-26-1501 is statutorily appropriated, as provided in 17-7-502, to the board of regents to be used to pay:

(a) the educational debts of physicians who practice in rural areas or medically underserved areas or for medically underserved populations of the state that demonstrate a need for assistance in physician recruitment; and

(b) the expenses of administering the incentive program. The expenses of administering the program may not exceed 10% of the annual fees assessed pursuant to 20-26-1502.

(2) The board of regents shall establish procedures for determining rural areas and medically underserved areas or populations of the state that qualify for assistance in physician recruitment. An eligible area or eligible population must demonstrate that a physician shortage exists or that the area or population has been unsuccessful in recruiting physicians in other ways.

(3) A physician from an area or serving a population determined to be eligible under subsection (2) may apply to the board of regents for payment of an educational debt directly related to a professional school, as provided in subsection (4). Physicians who have paid the fee authorized in 20-26-1502 or [section 1] must be given a preference over other applicants. To receive the educational debt payments, the physician shall sign an annual contract with the board of regents. The contract must provide that the physician is liable for the payments if the physician ceases to practice in the eligible area or serve the eligible population during the contract period.

(4) The maximum amount of educational debt payment that a physician practicing in a rural area or medically underserved area or for a medically underserved population may receive is \$100,000 over a 5-year period or a proportionally reduced amount for a shorter period.

(5) The amount contractually committed in a year may not exceed the annual amount deposited in the state special revenue account established in 20-26-1501."

Section 5. Implementation. The department shall implement [this act] within existing resources.

Section 6. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 20, chapter 25, part 8, and the provisions of Title 20, chapter 25, part 8, apply to [section 1].

Section 7. Applicability date. [This act] applies to individuals entering the cooperative medical education program with the university of Washington as freshmen in academic year 2018-2019 or later.

- END -

I hereby certify that the within bill,
SB 0341, originated in the Senate.

President of the Senate

Signed this _____ day
of _____, 2017.

Secretary of the Senate

Speaker of the House

Signed this _____ day
of _____, 2017.

SENATE BILL NO. 341

INTRODUCED BY A. OLSZEWSKI, L. JONES, R. OSMUNDSON

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