

Enrolled
Senate Bill 188

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Theodore R. Kulongoski)

CHAPTER

AN ACT

Relating to Rural Health Services Program; creating new provisions; and amending ORS 442.550, 442.555 and 442.560.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 442.550 is amended to read:

442.550. As used in ORS 442.550 to 442.570:

(1) "Commission" means the Oregon Student Assistance Commission.

(2) "Dentist" means any person licensed to practice dentistry under ORS chapter 679.

[(2)] **(3)** "Nurse practitioner" means any person *[who is]* licensed under ORS 678.375.

[(3)] **(4)** "Pharmacist" means any person licensed as a pharmacist under ORS chapter 689.

[(4)] **(5)** "Physician" means any person licensed to practice medicine under ORS chapter 677.

[(5)] **(6)** "Physician assistant" means any person licensed under ORS 677.495 and 677.505 to 677.525.

[(6)] **(7)** "Qualifying loan" means any loan made to a medical student, physician assistant student, **dental student**, pharmacy student or nursing student under:

(a) Common School Fund loan program under ORS 348.040 to 348.090;

(b) Programs under Title IV parts B, D and E, of the Higher Education Act of 1965, as amended; and

(c) The Health Professions Student Loan, Nursing Student Loan, Health Education Assistance Loan and Primary Care Loan programs administered by the United States Department of Health and Human Services.

(8) "Qualifying practice site" means:

(a) A rural hospital as defined in ORS 442.470;

(b) A rural health clinic;

(c) A pharmacy that is located in a medically underserved rural community in Oregon or a federally designated health professional shortage area and that is not part of a group of six or more pharmacies under common ownership; or

(d) Another practice site in a medically underserved rural community in Oregon.

SECTION 2. ORS 442.555 is amended to read:

442.555. (1) There is created the Rural Health Services Program, to be administered by the Oregon Student Assistance Commission, pursuant to rules adopted by the commission. The purpose of the program is to provide loan repayments on behalf of physicians, physician assistants, **dentists**, pharmacists and nurse practitioners who agree to practice in a *[rural hospital as defined in ORS*

442.470, in a rural health clinic, in a medically underserved rural community in Oregon as determined in subsection (4) of this section or in a pharmacy that is located in a medically underserved rural community in Oregon or a federally designated health professional shortage area and that is not part of a group of six or more pharmacies under common ownership] **qualifying practice site**.

(2) To be eligible to participate in the program, a prospective physician, physician assistant, **dentist**, pharmacist or nurse practitioner shall submit a letter of interest to the commission. Applicants who are selected for participation according to criteria adopted by the commission in consultation with the Office of Rural Health shall sign a letter of agreement stipulating that the applicant agrees to abide by the terms stated in ORS 442.560.

(3) Subject to available resources, the commission may enter into agreements with not to exceed 10 prospective physicians, 10 prospective physician assistants, **10 prospective dentists**, 10 prospective pharmacists and 10 prospective nurse practitioners each year. **The commission may give preference to prospective physicians, physician assistants, dentists, pharmacists and nurse practitioners who agree to practice in a community that has contributed funds to the Rural Health Services Fund.**

(4) The Office of Rural Health shall adopt criteria to be applied to determine medically underserved communities **and qualifying practice sites** for purposes of ORS 442.550 to 442.570 and for the purposes of compliance with federal Public Law 95-210, establishing rural health clinics.

(5) A qualifying practice site shall submit an application to the Office of Rural Health to participate in the program. The office shall make a list of qualifying practice sites available to prospective physicians, physician assistants, dentists, pharmacists and nurse practitioners.

SECTION 3. ORS 442.560 is amended to read:

442.560. (1) Prospective physicians, physician assistants, **dentists**, pharmacists and nurse practitioners who wish to participate in the Rural Health Services Program shall agree that:

(a) For each year of medical, physician assistant, **dental**, pharmacy or graduate school, the applicant designates an agreed amount, not to exceed \$25,000, as a qualifying loan subject to ORS 442.550 to 442.570.

(b) In the [*five years*] **time period immediately** following the completion of all residency requirements or the [*five years*] **time period immediately** following the execution of a Rural Health Services agreement with the Oregon Student Assistance Commission, whichever comes later, a physician **or dentist** agrees to practice for at least three full years in a rural hospital as defined in ORS 442.470, in a rural health clinic or in a medically underserved rural community in Oregon.

(c) For not less than three nor more than five years that a physician **or dentist** serves in a rural hospital as defined in ORS 442.470, in a rural health clinic or in a medically underserved rural community, the commission shall annually pay an amount [*equal to 20 percent*] **that is a percentage** of the total of all qualifying loans made to the physician **or dentist** through the programs described in ORS 442.550.

(d) In the [*four years*] **time period immediately** following the completion of physician assistant or graduate school or the [*four years*] **time period immediately** following the execution of a Rural Health Services agreement with the commission, whichever comes later, a physician assistant or nurse practitioner agrees to practice for at least two years in a rural hospital as defined in ORS 442.470, in a rural health clinic or in a medically underserved rural community in Oregon.

(e) For not less than two nor more than four years that a physician assistant or nurse practitioner practices in a rural hospital as defined in ORS 442.470, in a rural health clinic or in a medically underserved rural community, the commission shall annually pay an amount [*equal to 25 percent*] **that is a percentage** of the total of all qualifying loans made to the physician assistant or nurse practitioner through the programs described in ORS 442.550.

(f) In the [*five years*] **time period immediately** following the completion of all pharmacy residency requirements or the [*five years*] **time period immediately** following the execution of a Rural Health Services agreement with the commission, whichever comes later, a pharmacist agrees to practice for at least three full years in a rural hospital as defined in ORS 442.470, in a rural health

clinic, in a medically underserved rural community in Oregon or in a pharmacy that is located in a medically underserved rural community in Oregon or a federally designated health professional shortage area and that is not part of a group of six or more pharmacies under common ownership.

(g) For not less than three nor more than five years that a pharmacist serves in a rural hospital as defined in ORS 442.470, in a rural health clinic, in a medically underserved rural community or in a pharmacy that is located in a medically underserved rural community or a federally designated health professional shortage area and that is not part of a group of six or more pharmacies under common ownership, the commission shall annually pay an amount [equal to 20 percent] **that is a percentage** of the total of all qualifying loans made to the pharmacist through the programs described in ORS 442.550.

(2) If the participant does not complete the full service obligation set forth in subsection (1)(b), (d) or (f) of this section, the commission shall collect 100 percent of any payments made by the commission to the participant under this program. In addition, a penalty equal to 50 percent of the qualifying loans and interest paid by the commission shall be assessed by the commission, to be credited to and deposited in the Rural Health Services Fund established under ORS 442.570.

(3) The Oregon Student Assistance Commission, in consultation with the Office of Rural Health, shall establish rules to allow waiver of all or part of the fees and penalties owed to the commission due to circumstances that prevent the participant from fulfilling the service obligation.

SECTION 4. The amendments to ORS 442.550, 442.555 and 442.560 by sections 1 to 3 of this 2007 Act apply to Rural Health Services agreements entered into between the Oregon Student Assistance Commission and physicians, physician assistants, dentists, pharmacists and nurse practitioners on or after the effective date of this 2007 Act.

Passed by Senate March 19, 2007

.....
Secretary of Senate

.....
President of Senate

Passed by House June 5, 2007

.....
Speaker of House

Received by Governor:

.....M.,....., 2007

Approved:

.....M.,....., 2007

.....
Governor

Filed in Office of Secretary of State:

.....M.,....., 2007

.....
Secretary of State