

House Bill 427

By: Representatives Newton of the 123rd, Cooper of the 43rd, and Hatchett of the 150th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 34 of Title 31 of the Official Code of Georgia Annotated, relating to
2 physicians for rural areas assistance, so as to expand the service cancelable loan program for
3 physicians in underserved areas to other health care practitioners; to provide for related
4 matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Chapter 34 of Title 31 of the Official Code of Georgia Annotated, relating to physicians for
8 rural areas assistance, is amended by revising Code Section 31-34-1, relating to the short
9 title, as follows:

10 "31-34-1.

11 This chapter shall be known and may be cited as the 'Physicians and Health Care
12 Practitioners for Rural Areas Assistance Act.'

13 style="text-align:center">**SECTION 2.**

14 Said chapter is further amended by revising Code Section 31-34-2, relating to the purpose
15 and intent of the chapter, as follows:

16 "31-34-2.

17 It is the purpose of this chapter to increase the number of physicians and health care
18 practitioners in ~~physician~~ underserved rural areas of Georgia by making loans to physicians
19 and health care practitioners who have completed their medical or health care education
20 and allowing such loans to be repaid by such physicians and health care practitioners
21 agreeing to practice medicine or health care in such rural areas and by making grants to
22 hospitals and, as determined by the Georgia Board for Physician Workforce, other health
23 care entities, local governments, and civic organizations in physician and health care
24 practitioner underserved rural areas of Georgia that agree to provide matching funds to the
25 grant, with the intent to enhance recruitment efforts in bringing physicians and health care

26 practitioners to such areas. It is the intent of the General Assembly that if funds are
27 available to the Georgia Board for Physician Workforce to make loans, grants, or
28 scholarships under this chapter or under other applicable state law, the Georgia Board for
29 Physician Workforce shall give priority to loans and scholarships under Part 6 of Article
30 7 of Chapter 3 of Title 20 and to loans under Code Section 31-34-4."

31 SECTION 3.

32 Said chapter is further amended by revising Code Section 31-34-4, relating to loan applicant
33 qualifications and rules and regulations, as follows:

34 "31-34-4.

35 (a) A physician or health care practitioner who receives a loan under the program provided
36 for in this chapter shall be a citizen or national of the United States licensed to practice
37 medicine or his or her health care profession within the State of Georgia at the time the
38 loan is made, and shall be a graduate of an accredited graduate medical education program
39 or other accredited health care education program located in the United States which has
40 received accreditation or provisional accreditation by the Accreditation Council for
41 Graduate Medical Education or the American Osteopathic Association or such other
42 appropriate accreditation for other health care education programs, as determined by the
43 board.

44 (b) The board shall make a full investigation of the qualifications of an applicant for a loan
45 under the provisions of this chapter to determine the applicant's fitness for participation in
46 such loan program, and for such purposes, the board may propound such examinations to
47 applicants as the board deems proper. The board's investigation shall include a
48 determination of the outstanding medical or health care education loans incurred by the
49 applicant while completing his or her medical or health care education and training.

50 (c) The board is authorized to consider among other criteria for granting loans under the
51 provisions of this chapter the state residency status and home area of the applying
52 physician or health care practitioner and to give priority to those applicants who are
53 physicians and health care practitioners actively practicing or beginning active practice in
54 specialties experiencing shortages or distribution problems in rural areas of this state as
55 determined by the board pursuant to rules and regulations adopted by it in accordance with
56 this chapter.

57 (d) The board may adopt and prescribe such rules and regulations as it deems necessary
58 or appropriate to administer and carry out the loan program provided for in this chapter.
59 Such rules and regulations shall provide for fixing the rate of regular interest to accrue on
60 loans granted under the provisions of this chapter. Such regular rate of interest shall not
61 exceed by more than 2 percent the prime rate published from time to time by the Board of

62 Governors of the Federal Reserve System. Within such limitation, the regular rate of
63 interest may be increased for new recipients of loans under this chapter."

64 **SECTION 4.**

65 Said chapter is further amended by revising Code Section 31-34-4.1, relating to grants to
66 hospitals and other entities, use of funds, and rules and regulations authorized, as follows:

67 "31-34-4.1.

68 (a) After providing priority consideration to granting loans pursuant to Code Section
69 31-34-4, the board is authorized to make grants to hospitals and, as determined by the
70 board, other health care entities, local governments, and civic organizations in physician
71 and health care practitioner underserved rural areas of Georgia, provided that any such
72 hospital, health care entity, local government, or civic organization matches such grant in
73 an amount not less than such grant. Such grants shall be for the purpose of enhancing
74 recruitment efforts in bringing physicians and health care practitioners to such areas.

75 (b) Acceptable expenditures of grant funds by a hospital or other health care entity, local
76 government, or civic organization include, but are not limited to, medical or health care
77 education loan repayment, salary supplements for physicians and health care practitioners,
78 and additional support staff for a physician's or health care practitioner's office. Grant
79 funds shall not be used for hiring or paying a recruiting firm or individual recruiter.

80 (c) The board is authorized to give priority over other grant applicants to applicant
81 hospitals and other health care entities, local governments, and civic organizations in rural
82 areas of this state experiencing shortages or distribution problems of certain specialties as
83 determined by the board pursuant to rules and regulations adopted by the board in
84 accordance with this chapter.

85 (d) The board may adopt and prescribe such rules and regulations as it deems necessary
86 or appropriate to administer and carry out the grant program provided for in this chapter.
87 Such rules and regulations shall provide for the criteria that must be met by an applicant
88 and the penalties that shall be incurred for failure to comply with the grant requirements."

89 **SECTION 5.**

90 Said chapter is further amended by revising Code Section 31-34-5, relating to service
91 cancelable loans, amounts, repayments, and determination of physician underserved rural
92 areas, as follows:

93 "31-34-5.

94 (a)(1) The board shall have the authority to grant to each applicant approved by the board
95 on a one-year renewable basis a service cancelable loan for a period not exceeding four
96 years. The amount of the loan shall be determined by the board, but such amount shall

97 be related to the applicant's outstanding obligations incurred as a direct result of
98 completing medical or health care education and training.

99 (2) A loan or loans to each approved applicant shall be granted on the condition that the
100 full amount of the loan or loans shall be repaid to the State of Georgia in services to be
101 rendered by the applicant's practicing his or her profession in a board approved physician
102 or health care practitioner underserved rural area of Georgia. For each full year of
103 practicing his or her profession in such a physician or health care practitioner underserved
104 rural area, the physician or health care practitioner who obtained the loan shall receive
105 credit for the full amount of one year's loan plus regular interest which accrued on such
106 amount.

107 (b)(1) The board shall have the authority to make grants to each applicant hospital or
108 other health care entity, local government, or civic organization approved by the board
109 on a yearly basis, renewable each year at the discretion of the board. The amount of the
110 grant shall be determined by the board, but such amount shall be related to and shall not
111 exceed the applicant's proposed expenditures to enhance recruitment efforts in bringing
112 one or more physicians or health care practitioners to the physician or health care
113 practitioner underserved rural area.

114 (2) A grant to an approved applicant shall be made on any condition or conditions
115 determined by the board, which may include, but not be limited to, that one or more
116 physicians or health care practitioners are employed and retained in the physician or
117 health care practitioner underserved rural area for a prescribed minimum length of time.

118 (c) In making a determination of physician or health care practitioner underserved rural
119 areas of Georgia, the board shall seek the advice and assistance of the Department of Public
120 Health, the University of Georgia Cooperative Extension Service, the Department of
121 Community Affairs, and such other public or private associations or organizations as the
122 board determines to be of assistance in making such determinations. Criteria to determine
123 physician or health care practitioner underserved rural areas shall include, but shall not be
124 limited to, relevant statistical data related to the following:

- 125 (1) The ratio of physicians or health care practitioners to population in the area;
126 (2) Indications of the health status of the population in the area;
127 (3) The poverty level and dependent age groups of the population in the area;
128 (4) Indications of community support for more physicians or health care practitioners in
129 the area; and
130 (5) Indications that access to the physician's or health care practitioner's services is
131 available to every person in the underserved area regardless of ability to pay."

132

SECTION 6.

133 All laws and parts of laws in conflict with this Act are repealed.