

STATE OF NEW YORK

4851

2017-2018 Regular Sessions

IN SENATE

March 3, 2017

Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

AN ACT to amend the education law, in relation to regents professional education scholarships, health care professional opportunity scholarships and loan forgiveness for podiatrists and dentists

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 3 of section 605 of the education law, as
2 amended by chapter 31 of the laws of 1985, is amended to read as
3 follows:

4 3. Regents professional education in medicine ~~[or]~~, dentistry, or
5 podiatry scholarships. Regents professional education in medicine ~~[or]~~,
6 dentistry, or podiatry scholarships shall be awarded annually, on a
7 competitive basis, to students beginning professional study in medicine
8 ~~[or]~~, dentistry, or podiatry. One hundred such scholarships shall be
9 awarded annually, and shall be classified and allocated in accordance
10 with regents rules. The provisions of this subdivision shall only apply
11 to any recipient who receives his or her first award payment prior to
12 the nineteen hundred eighty-five--nineteen hundred eighty-six academic
13 year.

14 § 2. Subdivision 9 of section 605 of the education law, as amended by
15 chapter 523 of the laws of 1992, subparagraph 3 of paragraph a as
16 amended by section 89 of subpart B of part C of chapter 62 of the laws
17 of 2011, is amended to read as follows:

18 9. Regents physician, dentist and podiatrist loan forgiveness program.
19 Regents physician, dentist and podiatrist loan forgiveness awards shall
20 be awarded annually to physicians, dentists and podiatrists who agree to
21 practice medicine, dentistry or podiatry in an area of New York state
22 designated by the regents as having a shortage of physicians, dentists
23 or podiatrists. Such awards shall be classified and allocated in
24 accordance with regents rules.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 a. Eligibility. (1) The applicant must be a resident of New York state
2 and licensed to practice medicine, dentistry or podiatry.

3 (2) The applicant must have completed a professional residency program
4 within the five years immediately preceding the period for which the
5 first award would be granted, or be within two years of completion of an
6 accredited residency program in a primary care specialty designated in
7 short supply by the board of regents.

8 (3) The applicant must agree to practice medicine, dentistry or podia-
9 try in an area in New York state designated as having a shortage of
10 physicians, dentists or podiatrists. The regents, after consultation
11 with the commissioners of health, corrections and community supervision,
12 mental health and developmental disabilities, shall designate those
13 regions and facilities of New York state which have a shortage of physi-
14 cians, dentists or podiatrists for the purposes of this section and
15 establish relative rankings thereof.

16 b. Selection. The commissioner, in consultation with the commissioner
17 of health, shall establish criteria for the selection of participants in
18 the program. An applicant must satisfy at least one of the criteria
19 established. A priority shall be accorded to any applicant who is
20 completing the second year of the service requirement and is reapplying
21 for a new award. The criteria shall include but not be limited to the
22 following:

23 (i) reapplication for a new award by a person who is completing the
24 second year of a service requirement;

25 (ii) receipt of specific training in a primary care specialty or
26 obstetrics, determined by the regents to be in short supply;

27 (iii) receipt of specific training or experience in serving a shortage
28 area;

29 (iv) receipt of specific training or experience matching a specific
30 medical, dental or podiatric need existing in a shortage area; and

31 (v) agreement pursuant to [~~subdivision (d)~~] paragraph d of this
32 [~~section~~] subdivision to practice in an area determined by the regents
33 to have a severe shortage of primary care physician, dentist or podia-
34 trist services.

35 c. Notification. (1) The commissioner shall then forward approved
36 applications to the president and shall notify unsuccessful applicants;

37 (2) The president shall verify the approved applicants':

38 (i) eligibility; and

39 (ii) total undergraduate and medical, dental or podiatric school
40 student expense;

41 (3) The president shall notify applicants of their award entitlement.

42 d. Service requirement. Within such time as the commissioner shall by
43 regulation provide, a recipient of an award shall have agreed to prac-
44 tice medicine, dentistry or podiatry in a specific area designated as
45 having a shortage of physicians, dentists or podiatrists for a period of
46 twelve months for each annual payment to be received by the recipient.
47 Physicians, dentists and podiatrists in training who receive an award
48 shall not receive credit toward their required service for time spent in
49 a training program. In no case shall the total number of months of
50 service required be less than twenty-four. The president shall, in
51 consultation with the commissioner, develop and secure from each award
52 recipient, a written agreement to:

53 (i) practice medicine, dentistry or podiatry in the designated short-
54 age area;

55 (ii) to accept Medicare and Medicaid payments; and

(iii) to provide thirty-five hours per week of direct patient care in the designated shortage area being served, or to the designated population being served.

If a recipient fails to comply fully with such conditions, the president shall be entitled to receive from such recipient an amount to be determined by the formula:

$$A = 2B (t-s)$$

$$\frac{t}{t-s}$$

in which "A" is the amount the president is entitled to recover; "B" is the sum of all payments made to the recipient and the interest on such amount which would be payable if at the times such awards were paid they were loans bearing interest at the maximum prevailing rate; "t" is the total number of months in the recipient's period of obligated services; and "s" is the number of months of service actually rendered by the recipient. Any amount which the president is entitled to recover under this paragraph shall be paid within the five-year period beginning on the date that the recipient failed to comply with this service condition. Nothing in the written agreement shall affect the terms of employment of the individual who shall negotiate, separate and apart from the program, his or her salary and other forms of employment with an agency, institution or a program in which he or she shall be employed.

Any obligation to comply with such provisions as outlined in this section shall be cancelled upon the death of the recipient. The commissioner shall make regulations to provide for the waiver or suspension of any financial obligation which would involve extreme hardship.

e. Reporting. A recipient of an award shall report annually to the New York state higher education services corporation, and the department of health on forms prescribed by the president, as to the performance of the required services, commencing with the calendar year in which the recipient begins to practice medicine, dentistry or podiatry in a shortage area and continuing until the recipient shall have completed, or it is determined that he or she shall not be obligated to complete, the required services. If the recipient shall fail to file any report required hereunder within thirty days of written notice to the recipient, mailed to the address shown on the last application for an award or last report filed, whichever is later, the president of the corporation may impose a fine of up to one thousand dollars. The president shall have the discretion to waive the filing of a report, excuse a delay in filing or a failure to file a report, or waive or reduce any fine imposed for good cause shown.

f. Other awards. Award recipients shall be eligible to apply for one additional award.

§ 3. Subdivision 10 of section 605 of the education law, as added by chapter 31 of the laws of 1985, is amended to read as follows:

10. Regents health care professional opportunity scholarships. Regents health care professional opportunity scholarships shall be awarded annually to students who are beginning or engaged in an approved program in medicine ~~[or]~~, dentistry, or podiatry and who are economically disadvantaged and/or members of an underrepresented minority group, provided, however, that to the extent that regents health care professional opportunity scholarships are not awarded, such scholarships shall be awarded as regents professional opportunity scholarships. These scholarships shall be classified and allocated in accordance with regents rules.

1 a. In selecting and certifying scholarship recipients under this
 2 subdivision, priority shall be accorded to applicants in the following
 3 order:

4 (1) First, to any applicant who is economically disadvantaged as
 5 defined by the regents and a minority historically underrepresented in
 6 the profession as determined by the regents after consultation with the
 7 council on professional career opportunity created by section nine
 8 hundred forty-one of the executive law;

9 (2) Second, to any applicant who is a minority underrepresented in the
 10 profession as determined by the regents after consultation with the
 11 council on professional career opportunity created by section nine
 12 hundred forty-one of the executive law;

13 (3) Third, to any applicant who is a graduate of the state-sponsored
 14 opportunity program pursuant to section sixty-four hundred fifty-one or
 15 sixty-four hundred fifty-two of this chapter.

16 In the event that there are more applicants who have the same priority
 17 than there are remaining scholarships, the commissioner shall distribute
 18 the remaining number of such scholarships by means of a lottery or other
 19 form of random selection.

20 b. The commissioner shall then forward approved applications to the
 21 president and shall notify unsuccessful applicants.

22 c. The president shall notify applicants of their award entitlement.

23 d. The president shall, in consultation with the commissioner, develop
 24 and secure from each successful applicant a written agreement to prac-
 25 tice medicine ~~[or]~~, dentistry, or podiatry, as appropriate, in a desig-
 26 nated shortage area. Within such time as the commissioner shall by regu-
 27 lation provide, a recipient of an award shall have practiced medicine
 28 ~~[or]~~, dentistry, or podiatry in an area designated as having a shortage
 29 of physicians ~~[or]~~, dentists, or podiatrists, as appropriate, for that
 30 number of months calculated by multiplying by twelve the number of annu-
 31 al payments received by the recipient. In no case shall the total number
 32 of months of service required be less than twenty-four. If a recipient
 33 fails to comply fully with such conditions, the president shall be enti-
 34 tled to receive from such recipient an amount to be determined by the
 35 formula:

$$A = 2B (t-s)$$

$$\frac{\text{-----}}{t}$$

39 in which "A" is the amount the president is entitled to recover; "B" is
 40 the sum of all payments made to the recipient and the interest on such
 41 amount which would be payable if at the times such awards were paid they
 42 were loans bearing interest at the maximum prevailing rate; "t" is the
 43 total number of months in the recipient's period of obligated services;
 44 and "s" is the number of months of service actually rendered by the
 45 recipient. Any amount which the president is entitled to recover under
 46 this paragraph shall be paid within the five-year period beginning on
 47 the date that the recipient failed to comply with this service condi-
 48 tion. Nothing in the written agreement shall affect the terms of employ-
 49 ment of the individual who shall negotiate, separate and apart from the
 50 program, his or her salary and other forms of employment with an agency,
 51 institution or a program in which he or she shall be employed.

52 Any obligation to comply with such provisions as outlined in this
 53 section shall be cancelled upon the death of the recipient. The commis-
 54 sioner shall make regulations to provide for the waiver or suspension of
 55 any financial obligation which would involve extreme hardship.

1 e. A recipient of an award shall report annually to the New York state
2 higher education services corporation, on forms prescribed by it, as to
3 the performance of the required services, commencing with the calendar
4 year in which the recipient begins to practice medicine ~~[or]~~, dentistry,
5 or podiatry in a shortage area and continuing until the recipient shall
6 have completed, or it is determined that he or she shall not be obli-
7 gated to complete, the required services. If the recipient shall fail
8 to file any report required hereunder within thirty days of written
9 notice to the recipient, mailed to the address shown on the last appli-
10 cation for an award or last report filed, whichever is later, the presi-
11 dent of the corporation may impose a fine of up to one thousand dollars.
12 The president shall have the discretion to waive the filing of a report,
13 excuse a delay in filing or a failure to file a report, or waive or
14 reduce any fine imposed for good cause shown.

15 § 4. Section 677 of the education law, as added by chapter 31 of the
16 laws of 1985 and subdivision 1 as amended by chapter 439 of the laws of
17 1988, is amended to read as follows:

18 § 677. Regents physician, dentist and podiatrist loan forgiveness
19 program. 1. Number and certification. Eighty regents physician, dentist
20 and podiatrist loan forgiveness awards shall be awarded each year. Such
21 awards shall be allocated as provided in article thirteen of this chap-
22 ter to eligible physicians, dentists and podiatrists as certified to the
23 president by the commissioner.

24 2. Calculation of award amounts. Each award shall consist of two
25 consecutive annual loan forgiveness payments. Each of the annual
26 payments shall be for an amount equal to the total of undergraduate and
27 medical, dental or podiatric school student loan expense or ten thousand
28 dollars whichever is less. The president shall be responsible for
29 calculating the dollar amount of each award that ~~[eligible]~~ eligible
30 candidates may receive from this program. For the purposes of this
31 section, student loan expense shall mean the cumulative total of the
32 annual student loans covering the cost of attendance at an undergraduate
33 institution and/or medical, dental or podiatric school. Interest paid or
34 due on student loans that an applicant has taken out for use in paying
35 for such undergraduate and/or medical, dental or podiatric education
36 shall be considered eligible for reimbursement under this program.

37 3. Award disbursement. a. Annual award disbursements shall be the
38 responsibility of the president and shall occur prior to the beginning
39 of each of the required terms of service as specified in the service
40 contract. The board of trustees of the higher education services corpo-
41 ration shall adopt rules and regulations regarding criteria for deter-
42 mining successful completion of the service contract and any appeal
43 process that may be required to implement this paragraph upon recommen-
44 dation of the president in consultation with the commissioner.

45 b. The disbursement of the second annual award shall be dependent upon
46 successful completion of the first year requirement of the service
47 contract as defined by the president, as well as other criteria set
48 forth in this section.

49 § 5. This act shall take effect on the first of July next succeeding
50 the date on which it shall have become a law, provided, that the amend-
51 ments to subdivisions 9 and 10 of section 605 of the education law made
52 by sections two and three of this act shall not affect the termination
53 of such program and scholarship, respectively, and the amendments to
54 section 677 of the education law made by section four of this act shall
55 not affect the termination of such program as provided by section 17 of
56 chapter 31 of the laws of 1985, as amended.