

# STATE OF NEW YORK

5123

2017-2018 Regular Sessions

## IN SENATE

March 8, 2017

Introduced by Sens. RITCHIE, VALESKY -- read twice and ordered printed,  
and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to creating the  
medical professionals across rural New York state student loan repay-  
ment fund pilot program

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

1 Section 1. The public health law is amended by adding a new article  
2 29-H to read as follows:

### ARTICLE 29-H

### MEDICAL PROFESSIONALS ACROSS RURAL NEW YORK STATE STUDENT LOAN REPAYMENT FUND

#### Section 2999-gg. Creation of fund and cooperating agencies.

2999-hh. Administration of funds.

2999-ii. Administration agreement.

2999-jj. Responsibilities upon effective date of agreement.

2999-kk. Documentation.

2999-ll. Commitment.

2999-mm. Participating professionals.

2999-nn. Compensation.

2999-oo. Continued qualification.

2999-pp. Conditions barring participation.

2999-qg. Minimum qualifications for participation.

2999-rr. Application criteria.

2999-ss. Healthcare provider scoring and cohort size.

2999-tt. Announcement of results.

2999-uu. Payments and default.

§ 2999-gg. Creation of fund and cooperating agencies. The department,  
within amounts appropriated, shall establish the medical professionals

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

LBD09775-02-7

1 across rural New York state student loan repayment fund pilot program,  
2 in association with the empire state development corporation. The  
3 department is also directed to consult with the Fort Drum regional  
4 health planning organization and the Iroquois healthcare association as  
5 it deems appropriate. Funds shall be transferred by the commissioner of  
6 taxation and finance to the department for use as described herein.

7 § 2999-hh. Administration of funds. Monies in the fund shall be:

8 1. held by the department pursuant to this section as custodian pursu-  
9 ant to an agreement with the commissioner of taxation and finance, and  
10 the empire state development corporation, until transferred pursuant to  
11 this section; and

12 2. invested by the department in accordance with the investment guide-  
13 lines of the comptroller during said custodial period. All investment  
14 income shall be credited to, and shall be deposited in, the fund.

15 § 2999-ii. Administration agreement. The commissioner of taxation and  
16 finance, the empire state development corporation, and the department  
17 shall enter into an agreement, subject to the approval of the director  
18 of the budget, for the purpose of administering the fund. A copy of such  
19 agreement, and any amendments thereto, shall be provided to the chair of  
20 the senate finance committee, the director of the division of budget,  
21 and the chair of the assembly ways and means committee. The agreement  
22 shall specify that the department shall administer the fund in a manner  
23 that will benefit the public by encouraging the availability of profes-  
24 sional service providers, in compliance with all applicable laws, rules,  
25 regulations and other requirements.

26 § 2999-jj. Responsibilities upon effective date of agreement. Upon the  
27 effective date of the agreement, custody of, and responsibility for, the  
28 fund shall be taken up by the department, subject to the requirements of  
29 its agreement with the commissioner of taxation and finance and the  
30 empire state development corporation. Such agreement shall include, but  
31 not be limited to, the following provisions:

32 1. the department shall be responsible for the receipt, management and  
33 expenditure of monies held in the fund;

34 2. the department shall maintain books and records pertaining to all  
35 monies received and disbursed pursuant to this section and the agree-  
36 ment;

37 3. monies in such fund shall be utilized for the purpose of providing  
38 student loan repayment funding to qualifying professionals;

39 4. participating professionals shall be chosen by the department  
40 through an application process approved by the department, the empire  
41 state development corporation, and the comptroller;

42 5. the department shall report quarterly on transactions pertaining to  
43 the fund in a form and manner specified by the comptroller in consulta-  
44 tion with the commissioner of taxation and finance, and the empire state  
45 development corporation, including but not limited to: receipts or  
46 deposits to the fund, disbursements, loans or credit enhancement made  
47 from the fund, investment income, and the balance on hand as of the end  
48 of the month for each such quarter;

49 6. the department shall be required to invest monies on deposit in the  
50 fund in accordance with investment guidelines meeting the requirements  
51 of the comptroller, and all investment income shall be credited to the  
52 fund, and spent therefrom only for the purposes set forth in this  
53 section;

54 7. fund monies shall be held in trust and used for the benefit of  
55 participating professionals;

1 8. after two years, the department shall submit a report to the gover-  
2 nor and legislature detailing the performance participation and impact  
3 of the pilot program; and

4 9. any other term or condition as determined by the department, in  
5 consultation with the commissioner of taxation and finance and the  
6 empire state development corporation.

7 § 2999-kk. Documentation. Payments from the fund shall be made pursu-  
8 ant to a written agreement between the department and the participating  
9 professional, specifying the terms of the payments. The agreement shall  
10 be in such form and content as shall be acceptable to the comptroller  
11 and department, and may include such further written documentation  
12 and/or agreements as shall be required in the judgment of the comp-  
13 troller and department. Terms may include rescission of payments if a  
14 participating professional does not comply with this section or the  
15 terms of the participating professional's agreement with the department.

16 § 2999-ll. Commitment. Professionals shall be eligible to participate  
17 in this program provided that in addition to any other requirements set  
18 forth in this article they:

19 1. make a two year commitment to practice in a tract or county defined  
20 by the health resources and services administration as being "rural" or  
21 eligible for a rural health grant; and

22 2. such tract is situated, in whole or in part, in the counties of  
23 Madison, Clinton, Essex, Franklin, Hamilton, Herkimer, Jefferson, Lewis,  
24 Oswego, or St. Lawrence.

25 § 2999-mm. Participating professionals. The following professionals  
26 shall be eligible to receive the benefits of this fund:

27 1. home care service workers, clinical laboratory practitioners, clin-  
28 ical laboratory technologists, clinical laboratory cytotechnologists,  
29 clinical laboratory technicians, or histological technicians;

30 2. licensed psychologists, licensed master social workers, or licensed  
31 clinical social workers;

32 3. midlevel practitioners such as a physical therapist, physiothera-  
33 pist, mechanotherapist, dentist, dental hygienist, dental assistant,  
34 nurse practitioner, psychiatric nurse practitioner, physician assistant,  
35 or psychiatrist who is a diplomate of the American board of psychiatry  
36 and neurology or is eligible to be certified by that board or is certi-  
37 fied by the American osteopathic board of neurology and psychiatry or is  
38 eligible to be certified by that board;

39 4. speech-language pathologists or audiologists, occupational thera-  
40 pists, or respiratory therapists;

41 5. licensed pharmacists; and

42 6. nurses in nursing homes, such as registered professional nurses,  
43 licensed practical nurses, or clinical nurse specialists, provided that  
44 their service commitment, in addition to any other criteria listed in  
45 this article, will also be in a licensed nursing home, intermediate care  
46 facility for the developmentally disabled, or hospital if it owns or  
47 operates a licensed nursing home, and the professional will spend at  
48 least half of their working hours in the nursing home.

49 § 2999-nn. Compensation. Participating professionals shall be compen-  
50 sated in the form of payments against their student loans made in the  
51 following amounts:

52 1. fifty percent of total qualifying debt annually, up to a maximum  
53 annual amount of five thousand dollars for professionals listed in  
54 subdivision one of section twenty-nine hundred ninety-nine-mm of this  
55 article;

2. fifty percent of total qualifying debt annually, up to a maximum annual amount of ten thousand dollars for professionals listed in subdivision two of section twenty-nine hundred ninety-nine-mm of this article;

3. fifty percent of total qualifying debt annually, up to a maximum annual amount of twenty thousand dollars for professionals listed in subdivision three of section twenty-nine hundred ninety-nine-mm of this article;

4. fifty percent of total qualifying debt annually, up to a maximum annual amount of twelve thousand dollars for professionals listed in subdivision four of section twenty-nine hundred ninety-nine-mm of this article;

5. fifty percent of total qualifying debt annually, up to a maximum annual amount of fifteen thousand dollars for professionals listed in subdivision five of section twenty-nine hundred ninety-nine-mm of this article; and

6. fifty percent of total qualifying debt annually, up to a maximum annual amount of five thousand dollars for professionals listed in subdivision six of section twenty-nine hundred ninety-nine-mm of this article.

§ 2999-oo. Continued qualification. Provided that a professional continues to qualify for this program after two years and such pilot program is still in operation, then loan payment amounts will be the balance of any qualifying debt up to the maximum amounts listed in section two thousand nine hundred ninety-nine-nn of this article.

§ 2999-pp. Conditions barring participation. Participating professionals shall not:

1. have any outstanding service obligations to the federal government, state, or other entity; or

2. have any judgment liens arising from federal or state debt, and must not be delinquent in child support payments.

§ 2999-qq. Minimum qualifications for participation. Participating professionals must possess a fully-executed employment contract, or must be able to submit sufficient evidence of intent to establish a private practice and subsequently do so, and must possess all licenses required to practice their chosen profession in the state of New York. Participating professionals must also be a U.S. citizen or permanent resident, and become a legal resident of New York state within ninety days of beginning employment.

§ 2999-rr. Application criteria. The entities involved in this program may establish additional application criteria at their discretion, provided that such criteria does not narrow the availability of funds or conflict with the intent of this article.

§ 2999-ss. Healthcare provider scoring and cohort size. Regardless of funding levels, no more than thirty-two participating professionals may enter the program in any fiscal year. Applications shall be collected throughout the year, with a new cohort of no more than eight participating professionals approved each quarter. Each application received shall receive a score which will be calculated as described herein:

1. the maximum score an applicant may receive is fifty. Two independent reviewers, blind to each other's evaluation, will score each applicant. The average of the scores given by each reviewer will be the applicant's final score. In the event any two applicants for the same cohort receive the same score, each of their applications will be reviewed a third time and a new average score computed from all three scores received;

1     2. scores will be calculated by taking the discipline specific health  
2     professional shortage areas score for the applicant's practice location,  
3     and adding a maximum of ten points based on the diversity of medical  
4     cases or issues treated at the practice location, and adding a maximum  
5     of fifteen points based on the diversity of the patient population in  
6     the tract or county where the applicant intends to practice; and

7     3. if a health professional shortage areas score is not available for  
8     the applicant's intended practice location then the department shall  
9     attempt to estimate one based on the same discipline specific criteria  
10    used by the health resources and services administration to generate a  
11    health professional shortage areas score.

12    § 2999-tt. Announcement of results. All applicants granted admission  
13    to the program will be notified by email and United States mail within  
14    twenty-one business days following the conclusion of the quarter during  
15    which their application was received. Following the announcement of  
16    awards, applicants may request a debriefing from the department no later  
17    than ten calendar days from the date of the announcement. This debrief-  
18    ing will be limited to the positive and negative aspects of the specific  
19    applicant's application. In the event unsuccessful applicants wish to  
20    protest their results they must follow the protest procedures estab-  
21    lished by the office of the state comptroller in effect at the time  
22    their protest is entered.

23    § 2999-uu. Payments and default. Total annual payments shall be  
24    disbursed in equal amounts on a monthly basis.

25    1. In the event of default by a participating professional, within one  
26    year of defaulting the participating professional shall repay the state  
27    of New York the greater of either thirty-one thousand dollars, or the  
28    value of the past seven months of loan payments made by the state on  
29    behalf of the participating professional. The outstanding balance after  
30    one year shall accrue interest at a rate equal to that owed on underpay-  
31    ments of New York state income tax. Uncollectable amounts will be  
32    referred to the New York state attorney general's office for possible  
33    legal action.

34    2. Where default results from an action made by the department the  
35    participating professional will not be penalized.

36    § 2. This act shall take effect on the ninetieth day after it shall  
37    have become a law; provided however, that effective immediately, the  
38    addition, amendment and/or repeal of any rule or regulation necessary  
39    for the implementation of this act on its effective date are authorized  
40    to be made and completed on or before such effective date.