

HOUSE BILL NO.

Introduced by

Representative Brusegaard

1 A BILL for an Act to create and enact chapter 38-16 of the North Dakota Century Code, relating
2 to a dentists' loan repayment program; and to declare an emergency.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** Chapter 38-16 of the North Dakota Century Code is created and enacted
5 as follows:

6 **38-16-01. Loan repayment program - Dentists - Maximum amount of funds.** Each
7 year the state health council shall select from a pool of applicants up to three dentists who
8 shall contract to provide dental services to communities in this state. The dentists are eligible to
9 receive funds for the repayment of their education loans. The funds, which are payable over a
10 four-year period, may not exceed eighty thousand dollars per applicant.

11 **38-16-02. Loan repayment program - Dentists - Powers of state health council.**

12 The state health council may:

- 13 1. Determine the eligibility and qualifications of an applicant for loan repayment funds
14 under this chapter.
- 15 2. Identify communities that are in need of a dentist and establish a priority ranking for
16 participation in the program by the selected communities.
- 17 3. Create and distribute a loan repayment application.
- 18 4. Determine the amount of the loan repayment funds for which a dentist is eligible
19 under this chapter and in making this determination, examine any outstanding
20 education loans incurred by the applicant.
- 21 5. Establish conditions regarding the use of the loan repayment funds.
- 22 6. Enter a four-year nonrenewable contract with the dentist and the selected
23 community to provide to the dentist funds for the repayment of education loans in
24 exchange for the dentist agreeing to practice in the selected community.

- 1 7. Receive and use funds appropriated for the program.
- 2 8. Enforce any contract under the program.
- 3 9. Cancel a contract for reasonable cause.
- 4 10. Participate in federal programs that support the repayment of education loans
- 5 incurred by dentist and agree to the conditions of the federal programs.
- 6 11. Accept property from an entity.
- 7 12. Cooperate with the state department of health to effectuate this chapter.

8 **38-16-03. Dentist selection criteria - Eligibility for loan repayment.**

- 9 1. In establishing the criteria regarding a dentist's eligibility for loan repayment funds
- 10 under this chapter, the state health council shall include consideration of:
- 11 a. The dentist's training in general dentistry or in a dental specialty and the
- 12 extent to which such services are needed in a selected community.
- 13 b. The dentist's commitment to service in a community that is in need of a
- 14 dentist.
- 15 c. The compatibility of the dentist with a selected community.
- 16 d. The date by which the dentist would be available for service to the selected
- 17 community.
- 18 e. The dentist's competence and professional conduct.
- 19 f. The dentist's willingness to accept medicare and medicaid assignments.
- 20 2. A dentist who is selected to receive loan repayment funds under this chapter:
- 21 a. May not have practiced dentistry full-time in this state during the three years
- 22 immediately preceding the application;
- 23 b. (1) Must have graduated from an accredited graduate specialty training
- 24 program in dentistry during the year immediately preceding the
- 25 application or within one year after the date of the application; or
- 26 (1) Must be enrolled in an accredited graduate specialty training program in
- 27 dentistry;
- 28 c. Must be licensed to practice dentistry in this state; and
- 29 d. Shall contract to provide full-time dental services for a minimum of four years
- 30 in one or more selected communities.

31 **38-16-04. Community selection criteria.**

- 1 1. The state health council shall apply for the following criteria in selecting a
2 community with a degined need for the services of a dentist:
 - 3 a. The size of the community.
 - 4 b. The number of dentists practicing in the community and the surrounding area.
 - 5 c. The access by residents to dentists practicing in the community and the
6 surrounding area.
 - 7 d. The mix of dental specialties in the community and surrounding area.
 - 8 e. The degree to which residents support the addition of a dentist within the
9 community.
- 10 2. The state health council shall give priority for participation to a community that
11 demonstrates a need for a dentist or for an individual who is trained in a dental
12 specialty.
- 13 3. In evaluating communities for participation in this program, the state health council
14 may consult with public and private entities and visit the communities.

15 **38-16-05. Eligible loans.** The state health council may provide for loan repayment
16 funds to a dentist who has received an education loan. The council may not provide funds for
17 the repayment of any loan that is in default at the time of the application. The amount of
18 repayment must be related to the dentist's outstanding education loans. A dentist is eligible to
19 receive loan repayment funds in an amount equal to the outstanding balance of the dentist's
20 education loans with applicable interest, or eighty thousand dollars, whichever is less. Loan
21 repayment funds may not be used to satisfy other service obligations under similar programs.

22 **38-16-06. Breach of loan repayment contract.** If a dentist who receives loan
23 repayment funds under this chapter breaches the loan repayment program contract by failing to
24 begin or failing to complete the obligated service, the dentist is liable for the total amount of any
25 loan repayment funds received. Any damages the state is entitled to recover under this chapter
26 must be paid to the state health council, within one year from the date of the breach. Any
27 amounts not paid within one year from the date of the breach are subject to the collection
28 process and may be recovered through deductions in medicaid payments. Damages
29 recoverable for a breach of the contract include all interest, costs, and expenses incurred in
30 collection, including attorney's fees. Damages collected under this section by the health council
31 must be deposited in the state general fund. The health council may agree to accept a lesser

1 measure of damages for breach of a loan repayment program contract if compelling reasons
2 are demonstrated.

3 **38-16-07. Release from contract obligation.**

4 1. The state health council shall release a dentist from the dentist's loan repayment
5 contract, without penalty, if:

- 6 a. The dentist has completed the service requirements of the contract;
7 b. The dentist is unable to complete the service requirement of the contract
8 because of a permanent physical disability;
9 c. The dentist demonstrates to the health council extreme hardship or shows
10 other good cause justifying the release; or
11 d. The dentist dies.

12 **38-16-08. Payment.** The state health council may not provide any loan repayment
13 funds to a dentist under this chapter until the dentist has practiced at least six months on a
14 full-time basis in the selected community. Loan repayment funds for a year of obligated service
15 are payable by the state health council no later than the end of the fiscal year in which the
16 dentist completes the year of obligated service.

17 **SECTION2. EMERGENCY.** This Act is declared to be an emergency measure.