

Sixty-fourth  
Legislative Assembly  
of North Dakota

ENGROSSED HOUSE BILL NO. 1396

Introduced by

Representatives Sukut, Damschen, Fehr, Hatlestad, Lefor, Rohr

Senator Bekkedahl

1 A BILL ~~for an Act to provide student loan repayment programs for health care professionals; to~~  
 2 ~~repeal chapters 43-12.2 and 43-17.2 of the North Dakota Century Code, relating to loan~~  
 3 ~~repayment programs for nurse practitioners, physician assistants, certified nurse midwives, and~~  
 4 ~~physicians; to provide for a continuing appropriation; and to provide for an application.~~for an Act  
 5 to provide student loan repayment programs for health care professionals; to repeal chapters  
 6 43-12.2 and 43-17.2 of the North Dakota Century Code, relating to student loan repayment  
 7 programs for health care professionals; to provide for a continuing appropriation; and to provide  
 8 for an application.

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

10 ~~— SECTION 1.~~

11 ~~— Student loan repayment programs - Health care professionals.~~

12 ~~— The health council shall administer student loan repayment programs, as established by~~  
 13 ~~this chapter, for healthcare professionals willing to provide services in cities that have a defined~~  
 14 ~~need for such services.~~

15 ~~— SECTION 2.~~

16 ~~— Application process.~~

17 ~~— The health council shall develop an application process for cities seeking to fill health care~~  
 18 ~~needs and for healthcare professionals willing to provide necessary services in exchange for~~  
 19 ~~benefits under a student loan repayment program.~~

20 ~~— SECTION 3.~~

21 ~~— Cities - Selection criteria - Matching funds.~~

22 ~~— 1. The health council shall establish criteria to be used in selecting cities for participation~~  
 23 ~~in a program. The criteria must include:~~

1 ~~\_\_\_\_\_ a. The number of healthcare professionals, by specified field, already providing~~  
2 ~~services in the city;~~

3 ~~\_\_\_\_\_ b. Access to healthcare services in the city and the surrounding area; and~~

4 ~~\_\_\_\_\_ c. The level of support from the city and the surrounding area.~~

5 ~~\_\_\_\_\_ 2. The health council may consult with public and private sector entities in establishing~~  
6 ~~criteria and evaluating needs based on the criteria.~~

7 ~~\_\_\_\_\_ 3. A city may not be selected for participation unless it contractually commits to provide~~  
8 ~~matching funds equal to the amount required for a loan repayment program in~~  
9 ~~accordance with section 6 of this Act.~~

10 **SECTION 4.**

11 ~~\_\_\_\_\_ **Cities - Eligibility for participation - Priority.**~~

12 ~~\_\_\_\_\_ In selecting cities for participation in a program, the health council shall give priority, in~~  
13 ~~descending order, to those cities that meet the selection criteria, or to a practice with a focus on~~  
14 ~~an underserved population and:~~

15 ~~\_\_\_\_\_ 1. Have fewer than fifteen thousand residents;~~

16 ~~\_\_\_\_\_ 2. a. Have at least fifteen thousand residents, but fewer than thirty thousand residents;~~  
17 ~~and~~

18 ~~\_\_\_\_\_ b. Do not belong to a metropolitan statistical area; or~~

19 ~~\_\_\_\_\_ 3. Have at least thirty thousand residents.~~

20 ~~\_\_\_\_\_ **SECTION 5.**~~

21 ~~\_\_\_\_\_ **Healthcare professionals - Selection criteria.**~~

22 ~~\_\_\_\_\_ 1. The health council shall establish criteria to be used in selecting healthcare~~  
23 ~~professionals for participation in a student loan repayment program. The criteria must~~  
24 ~~include:~~

25 ~~\_\_\_\_\_ a. The healthcare professional's specialty;~~

26 ~~\_\_\_\_\_ b. The need for the healthcare professional's specialty within a city;~~

27 ~~\_\_\_\_\_ c. The healthcare professional's education and experience;~~

28 ~~\_\_\_\_\_ d. The health care professional's date of availability and anticipated term of~~  
29 ~~availability; and~~

30 ~~\_\_\_\_\_ e. The health care professional's willingness to accept medicare and Medicaid~~  
31 ~~assignments, if applicable.~~

1 ~~2. The health council shall give priority to healthcare professionals who graduated from~~  
2 ~~an institution of higher education in this state.~~

3 ~~**SECTION 6.**~~

4 ~~**Student loan repayment program - Contract.**~~

5 ~~1. The health council shall enter into a contract with a selected health care professional.~~  
6 ~~The health council shall agree to provide student loan repayments on behalf of the~~  
7 ~~selected health care professional subject to the requirements and limitations of this~~  
8 ~~section.~~

9 ~~a. For a physician:~~

10 ~~(1) The loan repayment must be equal to twenty thousand dollars per year; and~~

11 ~~(2) The matching funds must equal fifty percent of the amount required in~~  
12 ~~paragraph 1.~~

13 ~~b. For a clinical psychologist:~~

14 ~~(1) The loan repayment must be equal to twelve thousand dollars per year; and~~

15 ~~(2) The matching funds must equal twenty five percent of the amount required~~  
16 ~~in paragraph 1.~~

17 ~~c. For a nurse practitioner, physician assistant, or certified nurse midwife:~~

18 ~~(1) The loan repayment must be equal to four thousand dollars per year; and~~

19 ~~(2) The matching funds must equal ten percent of the amount required in~~  
20 ~~paragraph 1.~~

21 ~~d. (1) For a behavioral health professional:~~

22 ~~(a) The loan repayment must be equal to four thousand dollars per year;~~  
23 ~~and~~

24 ~~(b) The matching funds must equal ten percent of the amount required in~~  
25 ~~paragraph 1.~~

26 ~~(2) For purposes of this subdivision, a behavioral health professional means an~~  
27 ~~individual who practices in the behavioral health field and is:~~

28 ~~(a) An advanced practice registered nurse;~~

29 ~~(b) A licensed addiction counselor;~~

30 ~~(c) A licensed practical nurse;~~

31 ~~(d) A licensed professional counselor;~~

1 ~~\_\_\_\_\_ (e) A licensed social worker;~~

2 ~~\_\_\_\_\_ (f) A registered nurse; or~~

3 ~~\_\_\_\_\_ (g) A specialty practice registered nurse.~~

4 ~~2. a. Payments under this section must be made on behalf of the health care~~  
5 ~~professional directly to the Bank of North Dakota or to another participating~~  
6 ~~lending institution.~~

7 ~~\_\_\_\_\_ b. Except as otherwise provided, payments under this section may be made only at~~  
8 ~~the conclusion of each twelve month period of service.~~

9 ~~\_\_\_\_\_ c. Prorated payments may be made only if:~~

10 ~~\_\_\_\_\_ (1) The repayment of the loan requires less than a full annual payment;~~

11 ~~\_\_\_\_\_ (2) The health care professional is terminated or resigns from his or her~~  
12 ~~position; or~~

13 ~~\_\_\_\_\_ (3) The health care professional is unable to complete a twelve month period of~~  
14 ~~service due to the individual's death, a certifiable medical condition or~~  
15 ~~disability, or a call to military service.~~

16 ~~3. Payments under this section terminate upon the earlier of:~~

17 ~~\_\_\_\_\_ a. The full repayment of the health care professional's student loan; or~~

18 ~~\_\_\_\_\_ b. The completion of five years as a participant in the student loan repayment~~  
19 ~~program.~~

20 ~~**SECTION 7.**~~

21 ~~**Powers of the health council - Continuing appropriation.**~~

22 ~~1. The health council may:~~

23 ~~\_\_\_\_\_ a. Receive and expend any gifts, grants, and other funds for the purposes of this~~  
24 ~~program;~~

25 ~~\_\_\_\_\_ b. Participate in any federal programs providing for the repayment of student loans~~  
26 ~~on behalf of health care professionals; and~~

27 ~~\_\_\_\_\_ c. Do all things necessary and proper for the administration of this chapter.~~

28 ~~2. All moneys received by the health council under this section are appropriated to the~~  
29 ~~health council on a continuing basis, to be used exclusively for the purposes of this~~  
30 ~~Act.~~

1 ~~— **SECTION 8. REPEAL.** Chapters 43-12.2 and 43-17.2 of the North Dakota Century Code~~  
2 ~~are repealed.~~

3 ~~— **SECTION 9. APPLICATION.** This Act applies to loan repayment contracts entered into on~~  
4 ~~or after August 1, 2015. Any nurse practitioner, physician assistant, or certified nurse midwife~~  
5 ~~loan repayment contract entered into before August 1, 2015, is governed by chapter 43-12.2, as~~  
6 ~~it existed on July 31, 2015. Any physician loan repayment contract entered into before August 1,~~  
7 ~~2015, is governed by chapter 43-17.2, as it existed on July 31, 2015.~~

8 **SECTION 1.**

9 **Student loan repayment programs - Health care professionals.**

10 The health council shall administer student loan repayment programs, as established by  
11 this chapter, for health care professionals willing to provide services in areas of this state that  
12 have a defined need for such services.

13 **SECTION 2.**

14 **Application process.**

15 The health council shall develop an application process for public and private entities  
16 seeking to fill health care needs and for health care professionals willing to provide necessary  
17 services in exchange for benefits under a student loan repayment program.

18 **SECTION 3.**

19 **Public and private entities - Selection criteria - Matching funds.**

20 1. The health council shall establish criteria to be used in selecting public and private  
21 entities for participation in a program. The criteria must include:

22 a. The number of health care professionals, by specified field, already providing  
23 services in the area;

24 b. Access to health care services in the area; and

25 c. The level of support from the area.

26 2. The health council may consult with health care and social service providers,  
27 advocacy groups, governmental entities, and others in establishing criteria and  
28 evaluating needs based on the criteria.

29 3. An entity may not be selected for participation unless it contractually commits to  
30 provide matching funds equal to the amount required for a loan repayment program in  
31 accordance with section 6 of this Act.

1       **SECTION 4.**

2       **Public and private entities - Eligibility for participation - Priority.**

3       In selecting public and private entities for participation in a program the health council shall  
4 give priority to an entity that:

- 5       1. Meets the selection criteria;  
6       2. Is located in an area that is statistically underserved; and  
7       3. Is located at least twenty miles [32.18 kilometers] outside the boundary of a city having  
8       more than forty thousand residents.

9       **SECTION 5.**

10      **Health care professionals - Selection criteria.**

11      1. The health council shall establish criteria to be used in selecting health care  
12      professionals for participation in a student loan repayment program. The criteria must  
13      include:

- 14      a. The health care professional's specialty;  
15      b. The need for the health care professional's specialty within an area;  
16      c. The health care professional's education and experience;  
17      d. The health care professional's date of availability and anticipated term of  
18      availability; and  
19      e. The health care professional's willingness to accept Medicare and Medicaid  
20      assignments, if applicable.

21      2. In selecting health care professionals for participation in the program the health  
22      council shall require that the individual:

- 23      a. Is physically present at and provides services on a full-time basis to an entity that  
24      meets the requirements of section 4; or  
25      b. (1) Is physically present at and provides services on at least a half-time basis to  
26      an entity that meets the requirements of section 4;  
27      (2) Provides telehealth services to a second entity that meets the requirements  
28      of section 4; and  
29      (3) Verifies that the services provided under paragraphs 1 and 2 are equal to  
30      the full-time requirement of subdivision a.

- 1       3. In selecting health care professionals for participation in a program, the health council  
2       may consider an individual's:  
3       a. Length of residency in this state; and  
4       b. Attendance at an in-state or an out-of-state institution of higher education.

5       **SECTION 6.**

6       **Student loan repayment program - Contract.**

- 7       1. The health council shall enter into a contract with a selected health care professional.  
8       The health council shall agree to provide student loan repayments on behalf of the  
9       selected health care professional subject to the requirements and limitations of this  
10       section.  
11       a. For a physician:  
12               (1) The loan repayment must be equal to twenty thousand dollars per year; and  
13               (2) The matching funds must equal fifty percent of the amount required in  
14               paragraph 1.  
15       b. For a clinical psychologist:  
16               (1) The loan repayment must be equal to twelve thousand dollars per year; and  
17               (2) The matching funds must equal twenty-five percent of the amount required  
18               in paragraph 1.  
19       c. For an advanced practice registered nurse or a physician assistant:  
20               (1) The loan repayment must be equal to four thousand dollars per year; and  
21               (2) The matching funds must equal ten percent of the amount required in  
22               paragraph 1.  
23       d. (1) For a behavioral health professional:  
24               (a) The loan repayment must be equal to four thousand dollars per year;  
25               and  
26               (b) The matching funds must equal ten percent of the amount required in  
27               subparagraph a.  
28               (2) For purposes of this subdivision, a behavioral health professional means an  
29               individual who practices in the behavioral health field and is:  
30               (a) A licensed addiction counselor;  
31               (b) A licensed professional counselor;

- 1                                   (c) A licensed social worker;  
2                                   (d) A registered nurse; or  
3                                   (e) A specialty practice registered nurse.
- 4       2.   a.   Payments under this section must be made on behalf of the health care  
5                                   professional directly to the Bank of North Dakota or to another participating  
6                                   lending institution.
- 7                                   b.   Except as otherwise provided, payments under this section may be made only at  
8                                   the conclusion of each twelve month period of service.
- 9                                   c.   Prorated payments may be made only if:
- 10                                  (1) The repayment of the loan requires less than a full annual payment;  
11                                  (2) The health care professional is terminated or resigns from his or her  
12                                  position; or
- 13                                  (3) The health care professional is unable to complete a twelve month period of  
14                                  service due to the individual's death, a certifiable medical condition or  
15                                  disability, or a call to military service.
- 16       3.   Payments under this section terminate upon the earlier of:
- 17                                  a.   The full repayment of the health care professional's student loan; or  
18                                  b.   The completion of five years as a participant in the student loan repayment  
19                                  program.
- 20       4.   The health council shall waive the requirements of this section that pertain to matching  
21                                  funds if the health care professional opens a new practice as a solo practitioner in a  
22                                  city that has fewer than fifteen thousand residents.

23       **SECTION 7.**

24       **Powers of the health council - Continuing appropriation.**

- 25       1.   The health council may:
- 26                                  a.   Receive and expend any gifts, grants, and other funds for the purposes of this  
27                                  program;
- 28                                  b.   Participate in any federal programs providing for the repayment of student loans  
29                                  on behalf of health care professionals; and
- 30                                  c.   Do all things necessary and proper for the administration of this chapter.

1     2. All moneys received by the health council under this section are appropriated to the  
2     health council on a continuing basis, to be used exclusively for the purposes of this  
3     chapter.

4     **SECTION 8. REPEAL.** Chapters 43-12.2 and 43-17.2 of the North Dakota Century Code  
5 are repealed.

6     **SECTION 9. APPLICATION.** This Act applies to loan repayment contracts entered into on  
7 or after August 1, 2015. Any loan repayment contract entered into before August 1, 2015, in  
8 accordance with chapter 43-12.2, is governed by chapter 43-12.2, as it existed on July 31,  
9 2015. Any loan repayment contract entered into before August 1, 2015, in accordance with  
10 chapter 43-17.2, is governed by chapter 43-17.2, as it existed on July 31, 2015.