

HOUSE BILL NO. 1115

Introduced by

Human Services Committee

(At the request of the State Department of Health)

1 A BILL for an Act to create and enact chapter 43-61 of the North Dakota Century Code, relating
2 to a state behavioral health professional loan repayment program.

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

4 **SECTION 1.** Chapter 43-61 of the North Dakota Century Code is created and enacted as
5 follows:

6 **43-61-01. State behavioral health professional loan repayment program.**

- 7 1. The state behavioral health professional loan repayment program is established as
8 provided by this chapter.
- 9 2. The purpose of the program is to increase the number of behavioral health
10 professionals practicing in North Dakota communities with defined behavioral health
11 professional need. Under this chapter, a recipient must be practicing in the behavioral
12 health field and must be a licensed social worker, advanced practice registered nurse,
13 licensed professional counselor, licensed addiction counselor, registered nurse,
14 specialty practical registered nurse, licensed practical nurse, or clinical psychologist.
- 15 3. Under the program, loan repayments may be made to a recipient for education loan
16 expenses incurred while the recipient was attending an accredited program, located in
17 the United States or Canada, for the preparation of a behavioral health discipline listed
18 in subsection 2.
- 19 4. A clinical psychologist is limited to a ninety thousand dollar maximum loan repayment
20 under this chapter to be paid over a two-year period. A licensed social worker, licensed
21 professional counselor, licensed addiction counselor, advanced practice registered
22 nurse, registered nurse, specialty practical registered nurse, or licensed practical
23 nurse practicing in the behavioral health field is limited to a sixty thousand dollar
24 maximum loan repayment under this chapter to be paid a over two-year period.

1 5. Subject to the availability of funding, the state health council may select any number of
2 recipients each year as participants in the program, subject to the availability of
3 funding.

4 **43-61-02. Powers of state health council.**

5 The state health council may:

6 1. Determine eligibility and qualifications of an applicant to receive loan repayment in
7 accordance with section 43-61-03.

8 2. Identify communities with defined behavioral health professional need and establish a
9 priority ranking for program participation of the selected communities.

10 3. Determine the amount of the loan repayment an applicant may under this chapter.
11 This determination must include an investigation of the outstanding education loans
12 incurred by the applicant.

13 4. Determine the condition of loan repayment to an applicant.

14 5. Enter a two-year, nonrenewable loan repayment program contract with the applicant to
15 provide repayment of education loans in exchange for the applicant agreeing to
16 practice behavioral health in the selected community.

17 6. Receive and use funds appropriated for the program.

18 7. Enforce any contract under the program.

19 8. Cancel a contract for reasonable cause.

20 9. Participate in federal programs supporting repayment of loans to behavioral health
21 professionals and agree to the conditions of the federal programs.

22 10. Create a loan repayment application packet.

23 **43-61-03. Behavioral health professional selection criteria - Eligibility for loan**
24 **repayment.**

25 1. The state health council shall establish criteria to apply to an applicant for a loan
26 repayment. The criteria must include an analysis of:

27 a. The extent to which an applicant's training is needed in a selected community as
28 determined by the state health council.

29 b. The applicant's commitment to serve in a community with defined behavioral
30 health professional need.

- 1 c. The availability of the applicant for service, with the highest consideration being
2 given to an applicant who is available for service at the earliest date.
- 3 d. The applicant's professional competence and conduct.
- 4 e. The willingness of the applicant or of the applicant's employer to accept medicare
5 and medicaid assignment.
- 6 2. The state health council shall give priority for program participation to an applicant
7 who:
- 8 a. Graduated from an accredited program located in this state or is a North Dakota
9 resident who graduated from an accredited program in another state or Canada;
10 and
- 11 b. Will be practicing in a community that has a population of not more than fifteen
12 thousand.
- 13 3. A behavioral health professional who receives loan repayment under this chapter:
- 14 a. Must be a graduate of an accredited program, located in the United States or
15 Canada, for the preparation of behavioral health professions identified in section
16 43-61-01;
- 17 b. Must be licensed or registered to practice in this state in the behavioral health
18 profession for which the applicant is applying; and
- 19 c. Shall submit an application to participate in the loan repayment program.

20 **43-61-04. Eligible loans.**

21 The state health council may not provide for repayment of any loan that is in default at the
22 time of the application. The amount of repayment must be related to the applicant's outstanding
23 education loans. An applicant may not receive repayment in an amount greater than the total
24 outstanding balance on the applicant's education loans together with applicable interest. Loan
25 payments may not be used to satisfy other service obligations under similar programs.

26 **43-61-05. Breach of loan repayment contract.**

27 A recipient of loan repayment under this chapter who breaches the loan repayment program
28 contract by failing to begin or complete the obligated service is liable for twice the total
29 uncredited amount of all loan repayment that was contracted on a prorated monthly basis. Any
30 damages the state is entitled to recover under this chapter must be paid to the state health
31 council within one year from the date of the breach of the loan repayment program contract. Any

1 amount not paid within the one-year period may be subject to collection through deductions in
2 medicaid payments or other collection methods. Damages recoverable for breach of contract
3 include all interest, costs, and expenses incurred in collection, including attorney's fees.
4 Damages collected under this section must be deposited in the general fund. For compelling
5 reasons, the state health council may agree to and accept a lesser measure of damages for
6 breach of a loan repayment program contract.

7 **43-61-06. Release from contract obligation.**

8 A recipient is released from the recipient's obligated service, without penalty, if the obligated
9 service has been completed; the recipient is unable to complete the term of the contract
10 because of permanent physical disability; the recipient dies; or the recipient proves extreme
11 hardship or other good cause, to be determined by the state health council. A decision by the
12 state health council not to release a recipient from the recipient's obligated service without
13 penalty is reviewable by the district court.

14 **43-61-07. Term of obligated service.**

15 The length of the term of obligated service of a recipient of a loan repayment under this
16 chapter is a minimum of two years.

17 **43-61-08. Payment.**

18 Payment may not be made under this chapter until the behavioral health professional has
19 practiced at least six months on a full-time basis in a selected community with a defined
20 behavioral health professional need. Any arrangement made by the state health council for loan
21 repayment in accordance with this chapter must provide that any loan repayment for a year of
22 obligated service be made no later than the end of the fiscal year in which the behavioral health
23 professional completes the year of obligated service.