

By: Representative Moody

To: Universities and  
Colleges; Appropriations

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1246

1 AN ACT TO AMEND SECTION 37-143-6, MISSISSIPPI CODE OF 1972,  
2 TO EXPAND THE MEDICAL EDUCATION SCHOLARSHIP PROGRAM TO INCLUDE A  
3 LOAN REPAYMENT PROGRAM FOR FAMILY MEDICINE PHYSICIANS AGREEING TO  
4 SERVE IN A PRIMARY CARE CRITICAL NEEDS SHORTAGE AREA, TO AUTHORIZE  
5 THE BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING TO  
6 USE FUNDS AVAILABLE THROUGH THE SCHOLARSHIP AND LOAN REPAYMENT  
7 PROGRAM TO SECURE FEDERAL MATCHING FUNDS TO ASSIST IN REPAYING  
8 EDUCATIONAL LOANS FOR PRIMARY HEALTH CARE CLINICIANS AGREEING TO  
9 PRACTICE IN PRIMARY CARE CRITICAL NEEDS SHORTAGE AREAS, AND TO  
10 REQUIRE NO LESS THAN EIGHT YEARS SERVICE IN EXCHANGE FOR LOAN  
11 REPAYMENTS THROUGH THE PROGRAM; AND FOR RELATED PURPOSES.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

13 SECTION 1. Section 37-143-6, Mississippi Code of 1972, is  
14 amended as follows:

15 37-143-6. (1) There is established a medical education  
16 scholarship and loan repayment program, which shall be  
17 administered by the Board of Trustees of State Institutions of  
18 Higher Learning. Each year, the program shall provide a certain  
19 number of eligible applicants, if the applicant meets the  
20 conditions upon which the scholarship or loan repayment is  
21 granted, with: (a) a full scholarship to obtain a medical  
22 education at the University of Mississippi School of Medicine at  
23 no cost to the recipient; or (b) funds for repaying state and  
24 federal medical education loans.

25 (2) The program shall provide scholarships or loan  
26 repayments to up to twenty (20) new recipients each year, and the  
27 program shall be funded from monies appropriated from the Health  
28 Care Expendable Fund established under Section 43-13-407 \* \* \*.  
29 The amounts that may be expended annually for scholarships and  
30 loan repayments under the program shall not exceed the following:  
31 Five Hundred Thousand Dollars (\$500,000.00) in fiscal year 2001;



32 One Million Dollars (\$1,000,000.00) in fiscal year 2002; One  
33 Million Five Hundred Thousand Dollars (\$1,500,000.00) in fiscal  
34 year 2003; and Two Million Dollars (\$2,000,000.00) in fiscal year  
35 2004 and in any later fiscal year.

36 (3) A scholarship awarded under this program shall be in an  
37 amount that will pay the full cost of attendance, as defined by  
38 federal law and regulation, at the University of Mississippi  
39 School of Medicine for the entire time necessary for the recipient  
40 to complete the requirements for a medical degree. The actual  
41 amount of the scholarship shall be determined by the Office of  
42 Financial Aid of the University of Mississippi Medical Center but  
43 shall not exceed Twenty-five Thousand Dollars (\$25,000.00) per  
44 year for any recipient.

45 (4) Before being granted a scholarship, each applicant shall  
46 enter into a contract with the board of trustees, which shall be  
47 deemed a contract with the State of Mississippi, agreeing to the  
48 terms and conditions upon which the scholarship will be granted.  
49 In order to receive a scholarship under the program, the recipient  
50 must agree in the contract to practice family medicine for a  
51 period of not less than ten (10) years after completion of his or  
52 her residency in an area of the state that is a critical needs  
53 area for primary medical care at the time of the recipient's entry  
54 into medical practice. The determination and designation of the  
55 areas of the state that are critical needs areas for primary  
56 medical care in which scholarship recipients may practice shall be  
57 made by a committee to be known as the Medical Care Critical Needs  
58 Committee, which shall be composed of the following persons: the  
59 Vice Chancellor for Health Affairs of the University of  
60 Mississippi Medical Center, who shall be chairman of the  
61 committee; the Executive Director of the State Department of  
62 Health; the Executive Director of the Division of Medicaid; the  
63 President of the Mississippi State Medical Association or his  
64 designee; the President of the Mississippi State Hospital



65 Association or his designee; the President of the Mississippi  
66 Academy of Family Physicians; and the Executive Director of the  
67 Mississippi Primary Health Care Association. The committee shall  
68 meet at least once annually to determine and designate the areas  
69 of the state that are critical needs areas for primary medical  
70 care in which scholarship recipients may practice family medicine  
71 in order to fulfill their contractual obligation.

72       (5)   (a) Beginning on July 1, 2001, the Board of Trustees of  
73 State Institutions of Higher Learning may use any funds available  
74 under the medical education scholarship and loan repayment program  
75 for repaying state and federal medical education loans made to  
76 licensed family medicine physicians who agree to practice family  
77 medicine for a period of not less than eight (8) years in an area  
78 of the state that is a critical needs area for primary medical  
79 care, as designated by the Medical Care Critical Needs Committee.  
80 The board of trustees shall use such funds to apply for and  
81 receive federal matching funds from the National Health Service  
82 Corps to assist in the repayment of qualified educational loans  
83 for primary health care clinicians who agree to practice in a  
84 critical needs area for primary medical care. In order to receive  
85 a state loan repayment under this section, an applicant must enter  
86 into a contract with the board of trustees, which shall be deemed  
87 a contract with the State of Mississippi, agreeing to the terms  
88 and conditions upon which the loan repayment will be granted. The  
89 contract must include all conditions specified under subsection  
90 (4) for scholarship recipients; however, for a loan repayment, the  
91 minimum period of service required in an area of the state that is  
92 a critical needs area for primary medical care at the time the  
93 contract is executed is eight (8) years. The contract also must  
94 specify the total amount of the loan repayment and a schedule for  
95 making payments to the recipient, based upon the recommendation of  
96 the Medical Care Critical Needs Committee.



97           (b) The board of trustees shall give priority in  
98 rewarding loan repayments to family medicine physicians according  
99 to the following:

100           (i) University of Mississippi School of Medicine  
101 graduates or persons who have completed successfully a full  
102 three-year family medicine residency training program in the State  
103 of Mississippi;

104           (ii) Persons who were born in Mississippi who have  
105 completed training in a certified family medicine residency  
106 program outside the State of Mississippi; and

107           (iii) Physicians who are practicing outside the  
108 State of Mississippi who received training at a medical school  
109 outside the state and who are board certified in family practice.

110           (c) The Medical Care Critical Needs Committee shall  
111 meet at least once annually to determine and designate the areas  
112 of the state that are critical needs areas for primary medical  
113 care in which loan repayment recipients may practice family  
114 medicine and other primary care health professional disciplines in  
115 order to fulfill their contractual obligation. The committee also  
116 shall determine the priority of additional primary health care  
117 clinicians who are eligible to participate in the state loan  
118 repayment program using any National Health Service Corps matching  
119 funds or other funds excluding funds appropriated by the  
120 Legislature.

121           (6) If a scholarship recipient leaves the University of  
122 Mississippi School of Medicine before graduation, or leaves his or  
123 her residency before completion, or fails to practice family  
124 medicine for a period of ten (10) years in a critical needs area  
125 for primary medical care as designated by the Medical Care  
126 Critical Needs Committee under subsection (4) of this section, the  
127 full amount that the recipient received under the scholarship  
128 shall be due and payable within ninety (90) days, together with  
129 interest. If a loan repayment recipient fails to practice family



130 medicine for a period of eight (8) years in a critical needs area  
131 for primary medical care as designated by the Medical Care  
132 Critical Needs Committee under subsection (5)(c) of this section,  
133 the full amount that the recipient received for loan repayments  
134 shall be due and payable within ninety (90) days, together with  
135 interest. The amount of interest due shall be equal to the annual  
136 rate of return on the Health Care Trust Fund established under  
137 Section 43-13-405 for each year from the time the recipient  
138 received the scholarship or loan repayment money until the time  
139 the scholarship or loan repayment money is repaid. The board of  
140 trustees may bring suit against any scholarship or loan repayment  
141 recipient to recover the amount due to the state under this  
142 section for the recipient's failure to comply with the conditions  
143 upon which the scholarship or loan repayment was granted, as  
144 provided in this section and in the contract between the recipient  
145 and the board of trustees. The board of trustees is authorized to  
146 postpone or forgive the repayment of all or part of the amount  
147 that a recipient received under the scholarship or for loan  
148 repayments and the interest that would otherwise be due under this  
149 subsection if the recipient's failure to comply with the  
150 conditions upon which the scholarship or loan repayment was  
151 granted was due to circumstances beyond the recipient's control  
152 that caused the recipient to be physically unable to comply with  
153 those conditions, such as suffering a severe illness, injury or  
154 other disabling condition.

155 (7) The board of trustees shall establish such rules and  
156 regulations, based upon recommendations submitted by the Medical  
157 Care Critical Needs Committee, which it deems necessary and proper  
158 to carry out the purposes and intent of this section.

159 SECTION 2. This act shall take effect and be in force from  
160 and after July 1, 2001.

