An Act to Amend Section 37-143-6, Mississippi Code of 1972, to Expand the Medical Education Scholarship Program to Include a Loan Repayment Program for Family Medicine Physicians Agreeing to Serve in a Primary Care Critical Needs Shortage Area, to Authorize the Board of Trustees of State Institutions of Higher Learning to Use Funds Available Through the Scholarship and Loan Repayment Program to Secure Federal Matching Funds to Assist in Repaying Educational Loans for Primary Health Care Clinicians Agreeing to Practice in Primary Care Critical Needs Shortage Areas, and to Require No Less Than Eight Years Service in Exchange for Loan Repayments Through the Program; and for Related Purposes.

Be it enacted by the Legislature of the State of Mississippi:

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

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

(2) The program shall provide scholarships or loan repayments to up to twenty (20) new recipients each year, of which no more than ten (10) may be recipients of loan repayments. The program shall be funded from monies appropriated from the Health Care Expendable Fund established under Section 43-13-407. * * *

The amounts that may be expended annually for scholarships and
loan repayments under the program shall not exceed the following:

Five Hundred Thousand Dollars ($500,000.00) in fiscal year 2001;
One Million Dollars ($1,000,000.00) in fiscal year 2002; One
Million Five Hundred Thousand Dollars ($1,500,000.00) in fiscal
year 2003; and Two Million Dollars ($2,000,000.00) in fiscal year
2004 and in any later fiscal year.

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

(4) Before being granted a scholarship, each applicant shall
enter into a contract with the board of trustees, which shall be
deemed a contract with the State of Mississippi, agreeing to the
terms and conditions upon which the scholarship will be granted.
In order to receive a scholarship under the program, the recipient
must agree in the contract to practice family medicine for a
period of not less than ten (10) years after completion of his or
her residency in an area of the state that is a critical needs
area for primary medical care at the time of the recipient's entry
into medical practice. The determination and designation of the
areas of the state that are critical needs areas for primary
medical care in which scholarship recipients may practice shall be
made by a committee to be known as the Medical Care Critical Needs
Committee, which shall be composed of the following persons: the
Vice Chancellor for Health Affairs of the University of
Mississippi Medical Center, who shall be chairman of the
committee; the Executive Director of the State Department of
Health; the Executive Director of the Division of Medicaid; the
President of the Mississippi State Medical Association or his
designee; the President of the Mississippi State Hospital
Association or his designee; the President of the Mississippi
Academy of Family Physicians; and the Executive Director of the
Mississippi Primary Health Care Association. The committee shall
meet at least once annually to determine and designate the areas
of the state that are critical needs areas for primary medical
care in which scholarship recipients may practice family medicine
in order to fulfill their contractual obligation.

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

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

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

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

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

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

(6) If a scholarship recipient leaves the University of Mississippi School of Medicine before graduation, or leaves his or her residency before completion, or fails to practice family medicine for a period of ten (10) years in a critical needs area for primary medical care as designated by the Medical Care Critical Needs Committee under subsection (4) of this section, the full amount that the recipient received under the scholarship...
shall be due and payable within ninety (90) days, together with interest. If a loan repayment recipient fails to practice family medicine for a period of eight (8) years in a critical needs area for primary medical care as designated by the Medical Care Critical Needs Committee under subsection (5)(c) of this section, the full amount that the recipient received for loan repayments shall be due and payable within ninety (90) days, together with interest. The amount of interest due shall be equal to the annual rate of return on the Health Care Trust Fund established under Section 43-13-405 for each year from the time the recipient received the scholarship or loan repayment money until the time the scholarship or loan repayment money is repaid. The board of trustees may bring suit against any scholarship or loan repayment recipient to recover the amount due to the state under this section for the recipient's failure to comply with the conditions upon which the scholarship or loan repayment was granted, as provided in this section and in the contract between the recipient and the board of trustees. The board of trustees is authorized to postpone or forgive the repayment of all or part of the amount that a recipient received under the scholarship or for loan repayments and the interest that would otherwise be due under this subsection if the recipient's failure to comply with the conditions upon which the scholarship or loan repayment was granted was due to circumstances beyond the recipient's control that caused the recipient to be physically unable to comply with those conditions, such as suffering a severe illness, injury or other disabling condition.

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

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