

By: Representative Moody

To: Universities and  
Colleges; Appropriations

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1232

1 AN ACT TO AMEND SECTION 37-143-6, MISSISSIPPI CODE OF 1972,  
2 TO DELETE THE MAXIMUM AMOUNT OF A SCHOLARSHIP UNDER THE MEDICAL  
3 EDUCATION SCHOLARSHIP AND LOAN REPAYMENT PROGRAM; TO DECREASE THE  
4 NUMBER OF YEARS THAT A SCHOLARSHIP RECIPIENT MUST PRACTICE FAMILY  
5 MEDICINE IN A CRITICAL NEEDS AREA FOR PRIMARY MEDICAL CARE; TO  
6 PROVIDE THAT A LOAN REPAYMENT RECIPIENT UNDER THE MEDICAL  
7 EDUCATION SCHOLARSHIP AND LOAN REPAYMENT PROGRAM MUST PRACTICE  
8 PRIMARY MEDICAL CARE IN A CRITICAL NEEDS AREA FOR NOT LESS THAN  
9 TWO YEARS; TO PROVIDE THAT THE RECIPIENT SHALL RECEIVE A LOAN  
10 REPAYMENT OF \$40,000.00 FOR THE TWO YEARS OF SERVICE; TO PROVIDE  
11 THAT THE RECIPIENT MAY WORK FOR FOUR ADDITIONAL YEARS IN THAT AREA  
12 WITH A LOAN REPAYMENT AMOUNT OF \$10,000.00 PER YEAR; TO PROVIDE  
13 THAT FUNDS AVAILABLE UNDER THE PROGRAM MAY BE USED FOR REPAYMENT  
14 OF LOANS FOR DENTISTS AND NURSE PRACTITIONERS; AND FOR RELATED  
15 PURPOSES.

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

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

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

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



34 amounts that may be expended annually for scholarships and loan  
35 repayments under the program shall not exceed the following: Five  
36 Hundred Thousand Dollars (\$500,000.00) in fiscal year 2001; One  
37 Million Dollars (\$1,000,000.00) in fiscal year 2002; One Million  
38 Five Hundred Thousand Dollars (\$1,500,000.00) in fiscal year 2003;  
39 and Two Million Dollars (\$2,000,000.00) in fiscal year 2004 and in  
40 any later fiscal year.

41 (3) A scholarship awarded under this program shall be in an  
42 amount that will pay the full cost of attendance, as defined by  
43 federal law and regulation, at the University of Mississippi  
44 School of Medicine for the entire time necessary for the recipient  
45 to complete the requirements for a medical degree. The actual  
46 amount of the scholarship shall be determined by the Office of  
47 Financial Aid of the University of Mississippi Medical  
48 Center \* \* \*.

49 (4) Before being granted a scholarship, each applicant shall  
50 enter into a contract with the board of trustees, which shall be  
51 deemed a contract with the State of Mississippi, agreeing to the  
52 terms and conditions upon which the scholarship will be granted.  
53 In order to receive a scholarship under the program, the recipient  
54 must agree in the contract to practice family medicine for a  
55 period of not less than six (6) years after completion of his or  
56 her residency in an area of the state that is a critical needs  
57 area for primary medical care at the time of the recipient's entry  
58 into medical practice. The determination and designation of the  
59 areas of the state that are critical needs areas for primary  
60 medical care in which scholarship recipients may practice shall be  
61 made by a committee to be known as the Medical Care Critical Needs  
62 Committee, which shall be composed of the following persons: the  
63 Vice Chancellor for Health Affairs of the University of  
64 Mississippi Medical Center, who shall be chairman of the  
65 committee; the Executive Director of the State Department of  
66 Health; the Executive Director of the Division of Medicaid; the



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

76 (5) (a) Beginning on July 1, 2001, the Board of Trustees of  
77 State Institutions of Higher Learning may use any funds available  
78 under the Medical Education Scholarship and Loan Repayment Program  
79 for repaying state and federal medical education loans made to  
80 licensed family medicine physicians who agree to practice family  
81 medicine for a period of not less than two (2) years in an area of  
82 the state that is a critical needs area for primary medical care,  
83 as designated by the Medical Care Critical Needs Committee. For  
84 the first two (2) years of practice of family medicine in a  
85 critical needs area for primary medical care, the recipient shall  
86 receive a state loan repayment in the amount of Forty Thousand  
87 Dollars (\$40,000.00). For each additional year of family medicine  
88 practice in that area after two (2) years, for a maximum of four  
89 (4) additional years, the recipient shall receive a state loan  
90 repayment in the amount of Ten Thousand Dollars (\$10,000.00) for  
91 each additional year of practice. The board of trustees shall use  
92 any funds available under the Medical Education Scholarship and  
93 Loan Repayment Program to apply for and receive federal matching  
94 funds from the National Health Service Corps to assist in the  
95 repayment of qualified educational loans for primary health care  
96 clinicians, including dentists and nurse practitioners, who agree  
97 to practice in a critical needs area for primary medical care. In  
98 order to receive a state loan repayment under this section, an  
99 applicant must enter into a contract with the board of trustees,



100 which shall be deemed a contract with the State of Mississippi,  
101 agreeing to the terms and conditions upon which the loan repayment  
102 will be granted. The contract must include all conditions  
103 specified under subsection (4) for scholarship recipients;  
104 however, for a loan repayment, the minimum period of service  
105 required in an area of the state that is a critical needs area for  
106 primary medical care at the time the contract is executed is two  
107 (2) years. The contract also must specify the total amount of the  
108 loan repayment and a schedule for making payments to the  
109 recipient, based upon the recommendation of the Medical Care  
110 Critical Needs Committee.

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

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

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

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

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



133 funds or other funds excluding funds appropriated by the  
134 Legislature.

135 (6) If a scholarship recipient leaves the University of  
136 Mississippi School of Medicine before graduation, or leaves his or  
137 her residency before completion, or fails to practice family  
138 medicine for a period of six (6) years in a critical needs area  
139 for primary medical care as designated by the Medical Care  
140 Critical Needs Committee under subsection (4) of this section, the  
141 full amount that the recipient received under the scholarship  
142 shall be due and payable within ninety (90) days, together with  
143 interest. If a loan repayment recipient fails to practice family  
144 medicine for a period of two (2) years in a critical needs area  
145 for primary medical care as designated by the Medical Care  
146 Critical Needs Committee under subsection (5)(c) of this section,  
147 the full amount that the recipient received for loan repayments  
148 shall be due and payable within ninety (90) days, together with  
149 interest. The amount of interest due shall be equal to the annual  
150 rate of return on the Health Care Trust Fund established under  
151 Section 43-13-405 for each year from the time the recipient  
152 received the scholarship or loan repayment money until the time  
153 the scholarship or loan repayment money is repaid. The board of  
154 trustees may bring suit against any scholarship or loan repayment  
155 recipient to recover the amount due to the state under this  
156 section for the recipient's failure to comply with the conditions  
157 upon which the scholarship or loan repayment was granted, as  
158 provided in this section and in the contract between the recipient  
159 and the board of trustees. The board of trustees is authorized to  
160 postpone or forgive the repayment of all or part of the amount  
161 that a recipient received under the scholarship or for loan  
162 repayments and the interest that would otherwise be due under this  
163 subsection if the recipient's failure to comply with the  
164 conditions upon which the scholarship or loan repayment was  
165 granted was due to circumstances beyond the recipient's control



166 that caused the recipient to be physically unable to comply with  
167 those conditions, such as suffering a severe illness, injury or  
168 other disabling condition.

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

173 **SECTION 2.** This act shall take effect and be in force from  
174 and after July 1, 2003.

