

By: Representative Moody

To: Universities and  
Colleges; Appropriations

HOUSE BILL NO. 1232

1 AN ACT TO AMEND SECTION 37-143-6, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A LOAN REPAYMENT RECIPIENT UNDER THE MEDICAL  
3 EDUCATION SCHOLARSHIP AND LOAN REPAYMENT PROGRAM MUST PRACTICE  
4 PRIMARY MEDICAL CARE IN A CRITICAL NEEDS AREA FOR NOT LESS THAN  
5 TWO YEARS; TO PROVIDE THAT THE RECIPIENT SHALL RECEIVE A LOAN  
6 REPAYMENT OF \$40,000.00 FOR THE TWO YEARS OF SERVICE; TO PROVIDE  
7 THAT THE RECIPIENT MAY WORK FOR FOUR ADDITIONAL YEARS IN THAT AREA  
8 WITH A LOAN REPAYMENT AMOUNT OF \$10,000.00 PER YEAR; AND FOR  
9 RELATED PURPOSES.

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

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

13 37-143-6. (1) There is established a medical education  
14 scholarship and loan repayment program, which shall be  
15 administered by the Board of Trustees of State Institutions of  
16 Higher Learning. Each year, the program shall provide a certain  
17 number of eligible applicants, if the applicant meets the  
18 conditions upon which the scholarship or loan repayment is  
19 granted, with: (a) a full scholarship to obtain a medical  
20 education at the University of Mississippi School of Medicine at  
21 no cost to the recipient; or (b) funds for repaying state and  
22 federal medical education loans.

23 (2) The program shall provide scholarships or loan  
24 repayments to up to twenty (20) new recipients each year, of which  
25 no more than ten (10) may be recipients of loan repayments. The  
26 program shall be funded from monies appropriated from the Health  
27 Care Expendable Fund established under Section 43-13-407. The  
28 amounts that may be expended annually for scholarships and loan  
29 repayments under the program shall not exceed the following: Five  
30 Hundred Thousand Dollars (\$500,000.00) in fiscal year 2001; One



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

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

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



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

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



97 include all conditions specified under subsection (4) for  
98 scholarship recipients; however, for a loan repayment, the minimum  
99 period of service required in an area of the state that is a  
100 critical needs area for primary medical care at the time the  
101 contract is executed is two (2) years. The contract also must  
102 specify the total amount of the loan repayment and a schedule for  
103 making payments to the recipient, based upon the recommendation of  
104 the Medical Care Critical Needs Committee.

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

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

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

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

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



129           (6) If a scholarship recipient leaves the University of  
130 Mississippi School of Medicine before graduation, or leaves his or  
131 her residency before completion, or fails to practice family  
132 medicine for a period of ten (10) years in a critical needs area  
133 for primary medical care as designated by the Medical Care  
134 Critical Needs Committee under subsection (4) of this section, the  
135 full amount that the recipient received under the scholarship  
136 shall be due and payable within ninety (90) days, together with  
137 interest. If a loan repayment recipient fails to practice family  
138 medicine for a period of two (2) years in a critical needs area  
139 for primary medical care as designated by the Medical Care  
140 Critical Needs Committee under subsection (5)(c) of this section,  
141 the full amount that the recipient received for loan repayments  
142 shall be due and payable within ninety (90) days, together with  
143 interest. The amount of interest due shall be equal to the annual  
144 rate of return on the Health Care Trust Fund established under  
145 Section 43-13-405 for each year from the time the recipient  
146 received the scholarship or loan repayment money until the time  
147 the scholarship or loan repayment money is repaid. The board of  
148 trustees may bring suit against any scholarship or loan repayment  
149 recipient to recover the amount due to the state under this  
150 section for the recipient's failure to comply with the conditions  
151 upon which the scholarship or loan repayment was granted, as  
152 provided in this section and in the contract between the recipient  
153 and the board of trustees. The board of trustees is authorized to  
154 postpone or forgive the repayment of all or part of the amount  
155 that a recipient received under the scholarship or for loan  
156 repayments and the interest that would otherwise be due under this  
157 subsection if the recipient's failure to comply with the  
158 conditions upon which the scholarship or loan repayment was  
159 granted was due to circumstances beyond the recipient's control  
160 that caused the recipient to be physically unable to comply with



161 those conditions, such as suffering a severe illness, injury or  
162 other disabling condition.

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

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

