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**TITLE 410 INDIANA STATE DEPARTMENT OF
HEALTH**

Proposed Rule
LSA Document #01-339

DIGEST

Adds 410 IAC 23-2 to implement the health care professional recruitment and retention program for the repayment for student loans incurred by eligible health care professionals. Repeals 410 IAC 23-1. Effective 30 days after filing with the secretary of state.

410 IAC 23-1
410 IAC 23-2

SECTION 1. 410 IAC 23-2 IS ADDED TO READ AS FOLLOWS:

Rule 2. Health Care Professional Recruitment and Retention Program

410 IAC 23-2-1 Definitions

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 1. The definitions in this rule apply throughout this rule. (*Indiana State Department of Health; 410 IAC 23-2-1*)

410 IAC 23-2-2 “Department” defined

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 2. “Department” means the Indiana state department of health. (*Indiana State Department of Health; 410 IAC 23-2-2*)

410 IAC 23-2-3 “Fiscal body” defined

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 3. “Fiscal body” means:

- (1) county council, for a county not having a consolidated city;
- (2) city county council, for a consolidated city or county having a consolidated city;
- (3) common council, for a city other than a consolidated city;
- (4) town council, for a town;
- (5) township board, for a township; or
- (6) governing body or budget approval body, for any other political subdivision.

(*Indiana State Department of Health; 410 IAC 23-2-3*)

410 IAC 23-2-4 “Fund” defined

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 4. “Fund” means the Indiana health care professional recruitment and retention fund. *(Indiana State Department of Health; 410 IAC 23-2-4)*

410 IAC 23-2-5 “Lending institution” defined

Authority: IC 16-46-5-19
Affected: IC 16-46-5

Sec. 5. “Lending institution” means an institution that makes or holds education loans. *(Indiana State Department of Health; 410 IAC 23-2-5)*

410 IAC 23-2-6 “Shortage area” defined

Authority: IC 16-46-5-19
Affected: IC 16-46-5

Sec. 6. “Shortage area” means a county, city, town, census tract, or township designated by the department as underserved by health care professionals. *(Indiana State Department of Health; 410 IAC 23-2-6)*

410 IAC 23-2-7 “Student loan” defined

Authority: IC 16-46-5-19
Affected: IC 16-46-5

Sec. 7. “Student loan” means a loan insured or guaranteed under a federal or state program of private insurance that is made to assist a student in obtaining postsecondary education and is:

- (1) made to any Indiana student, or either one (1) or both parents or the legal guardian of the student, for the purpose of attending an Indiana or non-Indiana institution;**
- (2) made to any non-Indiana student, or one (1) or both parents or the legal guardian of the student, for the purpose of attending an Indiana institution; or**
- (3) made or owned by any lending institution or their affiliate with offices located in Indiana or in a state which an Indiana bank or an Indiana bank holding company is entitled under Indiana law to acquire a bank or holding company.**

(Indiana State Department of Health; 410 IAC 23-2-7)

410 IAC 23-2-8 Federal designation

Authority: IC 16-46-5-19
Affected: IC 16-46-5

Sec. 8. The department shall annually adopt the federal designation of the counties, towns, census tracts, and townships in Indiana that are underserved by specific types of health professionals as determined by the department. The department shall rank these areas according to the degree each is underserved by health care professionals. *(Indiana State Department of Health; 410 IAC 23-2-8)*

410 IAC 23-2-9 Fund established

Authority: IC 16-46-5-19
Affected: IC 16-46-5; IC 25-22.5-9

Sec. 9. (a) The Indiana health care professional recruitment and retention fund is established. The purpose of this fund is to provide loan repayment for student loans incurred by health care professionals to encourage full-time delivery of health care in shortage areas. The department shall administer the fund.

(b) The fund consists of the following:

- (1) Appropriations made by the general assembly.**
- (2) Repayments by loan recipients from the Indiana medical and nursing distribution loan fund under IC 25-22.5-9.**
- (3) Gifts to the fund.**
- (4) Grants from public or private sources.**

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund.

(d) Money in the fund does not revert to the state general fund.

(e) The fund shall be used for loan repayment under this document. (*Indiana State Department of Health; 410 IAC 23-2-9*)

410 IAC 23-2-10 Applicants

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 10. (a) Applicants may choose only from those areas appearing on the department's annual list, unless an applicant can provide the department with sufficient evidence and documented support that an area not appearing on the department's list is a medically underserved area.

(b) A health care professional must apply for a loan repayment on an application form supplied by the department. Applications from health care professionals will be accepted until November 1. Funding decisions will be made by the department by December 1.

(c) Health care professionals participating in the student loan repayment program must meet the following conditions:

(1) Be a United States citizen.

(2) Have no outstanding contractual obligation for health professional service to the United States government, or a state or other entity, unless the service obligation will be completely satisfied before the contract has been signed. Be aware that certain bonus clauses in employment contracts may impose a service obligation.

(3) Not be in breach of a health professional service contract to the United States government, state, or local government, or other entity.

(4) Not have a judgment lien against their property for a debt to the United States.

(5) Perform their service obligation at a site designated as eligible by the department.

(6) Provide full-time primary health care service, which is defined as a minimum of forty (40) hours per week for at least forty-five (45) weeks per year at an eligible site. At least thirty-two (32) of the forty (40) hours per week must be spent providing clinical service. These services must be conducted during normally scheduled clinic hours in the ambulatory care setting office or offices, with the remaining hours spent providing inpatient care to patients of the eligible site and/or in practice related administrative activities, with administrative activities not to exceed twenty percent (20%) of their full-time tour. Time spent on-call is not considered part of the full-time tour. Obstetrician/gynecologists, certified nurse midwives, and certified midwives are expected to spend not less than twenty-one (21) hours per week providing ambulatory care services during normally scheduled office hours, with the remaining hours spent providing inpatient care to patients of the eligible site and/or in practice related administrative activities, with administrative activities not to exceed twenty percent (20%) of their full-time tour.

(7) Charge for their professional services at the usual and customary prevailing rates in the area in which such services are provided, except that if a person is unable to pay such charge, such person shall be charged at a reduced rate or not charged any fee.

(8) Agree to provide primary health services to any individual seeking care. The program participants must agree not to discriminate on the basis of the patient's ability to pay for such care on the basis that payment for such care will be made pursuant to Medicare or Medicaid.

(9) Agree that they will:

(A) accept assignment under Medicare (Section 1842(b)(3)(B)(ii) of the Social Security Act) for all services for which payment under Part B of Title XVIII; and

(B) enter into an appropriate agreement with the state agency that administers the state plan for medical assistance under Title XIX to provide services to individuals entitled to medical assistance under the plan.

(10) Pay the amount specified in the program contract default provisions for failure to complete their service obligation for any reason.

(d) To be eligible for loan repayment for student loans, a health care professional must meet all of the following conditions:

(1) Hold an unlimited license to practice a health care profession in Indiana that has been declared by the department to be eligible for loan repayment in a specified fiscal year.

(2) Either:

(A) completed at least one (1) year of health care professional practice in a shortage area; or

(B) worked at least one (1) year at a community or migrant health center or maternal and child health clinic in a shortage area.

(3) Practice in a health care profession that has been declared eligible by the department for loan repayment in a specified fiscal year.

(Indiana State Department of Health; 410 IAC 23-2-10)

410 IAC 23-2-11 Eligibility

Authority: IC 16-46-5-19

Affected: IC 16-46-5-7

Sec. 11. The department shall consider each application and determine the eligibility of the applicant for the program under which the application is submitted and the extent to which the shortage area or eligible entity located in a shortage area is underserved, according to the rank given the shortage area under IC 16-46-5-7.

(Indiana State Department of Health; 410 IAC 23-2-11)

410 IAC 23-2-12 Amount awarded

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 12. Amounts awarded may not exceed the documented amount of the student loans incurred by the health care professional. *(Indiana State Department of Health; 410 IAC 23-2-12)*

410 IAC 23-2-13 Annual report

Authority: IC 16-46-5-19

Affected: IC 16-46-5

Sec. 13. The department shall file an annual report with the governor and the general assembly on the following:

(1) The receipt, disbursement, and use of funds.

(2) The identification of shortage areas.

(3) The number of applications for loan repayments by the following categories:

(A) Profession.

(B) Specialty.

(C) Underserved are to be served.

(4) The number and amount of loan repayments provided by the department.

(Indiana State Department of Health; 410 IAC 23-2-13)

SECTION 2. 410 IAC 23-1 IS REPEALED.

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on March 28, 2002 at 2:00 p.m., at the Indiana State Department of Health, 2 North Meridian Street, Rice Auditorium, Indianapolis, Indiana the Indiana State Department of Health will hold a public hearing on a proposed new rule to implement the health care professional recruitment and retention program for the repayment for student loans incurred by eligible health care professionals. Repeals 410 IAC 23-1. Copies of these rules are now on file at the Indiana State Department of Health, Community Health Development Services Commission, 2 North Meridian Street, Eighth Floor and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

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State Health Commissioner
Indiana State Department of Health