

**First Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 07-0864.02 Julie Pelegrin

SENATE BILL 07-232

SENATE SPONSORSHIP

Romer,

HOUSE SPONSORSHIP

Massey,

Senate Committees
Health and Human Services

House Committees

A BILL FOR AN ACT

101 **CONCERNING REPAYMENT OF EDUCATION LOANS FOR HEALTH**
102 **PROFESSIONALS WHO AGREE TO WORK IN MEDICALLY**
103 **UNDERSERVED AREAS OF THE STATE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Creates the state health care provider loan repayment program ("program") to provide education loan repayments to health professionals who agree to work for at least 2 years in medically underserved communities. Caps the annual amount that a health professional may receive through the program. Directs collegeinvest to administer the program in collaboration with the university of Colorado health sciences

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

center.

Creates the health care community board ("community board") to review applications to participate in the program and recommend the participants to collegeinvest. Specifies the members and terms of the community board. Repeals the community board following sunset review.

Creates the health care provider loan repayment fund to consist of appropriations by the general assembly, an annual transfer of moneys from the short-term innovative health program grant fund for the next 5 years, federal grant moneys, and any moneys received as contributions, gifts, grants, or donations. Specifies that collegeinvest may allocate assets to the program.

Makes conforming amendments.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Article 3.6 of title 23, Colorado Revised Statutes,
3 is amended BY THE ADDITION OF A NEW PART to read:

4 **PART 2**

5 **STATE HEALTH CARE PROVIDER**

6 **LOAN REPAYMENT PROGRAM**

7 **23-3.6-201. Legislative declaration.** (1) THE GENERAL
8 ASSEMBLY HEREBY FINDS THAT THERE ARE AREAS OF COLORADO THAT
9 SUFFER FROM A LACK OF PHYSICIANS AND OTHER HEALTH PROFESSIONALS
10 TO SERVE THE MEDICAL NEEDS OF LOCAL COMMUNITIES. THE GENERAL
11 ASSEMBLY FURTHER FINDS THAT INCENTIVES ARE NEEDED TO ENCOURAGE
12 PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PRACTICE IN THESE
13 UNDERSERVED AREAS.

14 (2) IT IS THEREFORE THE INTENT OF THE GENERAL ASSEMBLY IN
15 ENACTING THIS PART 2 TO CREATE A STATE LOAN REPAYMENT PROGRAM
16 THAT USES STATE AND FEDERAL FUNDS AND CONTRIBUTIONS FROM LOCAL
17 COMMUNITIES AND PRIVATE SOURCES TO HELP REPAY THE OUTSTANDING
18 EDUCATION LOANS THAT MANY PHYSICIANS AND OTHER HEALTH

1 PROFESSIONALS HOLD. IN EXCHANGE FOR REPAYMENT OF THESE LOANS,
2 THE PHYSICIANS AND OTHER HEALTH PROFESSIONALS WILL COMMIT TO
3 PROVIDE HEALTH CARE SERVICES IN LOCAL COMMUNITIES WITH
4 UNDERSERVED HEALTH CARE NEEDS THROUGHOUT THE STATE.

5 **23-3.6-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (1) "COLLEGEINVEST" MEANS THE AUTHORITY TRANSFERRED TO
8 THE DEPARTMENT OF HIGHER EDUCATION PURSUANT TO SECTION
9 23-3.1-203.

10 (2) "COMMUNITY BOARD" MEANS THE HEALTH CARE COMMUNITY
11 BOARD CREATED PURSUANT TO SECTION 23-3.6-204.

12 (3) "FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE
13 AREA" MEANS A HEALTH PROFESSIONAL SHORTAGE AREA AS DEFINED IN
14 SECTION 331 (a) (3) OF THE FEDERAL "PUBLIC HEALTH SERVICE ACT"
15 THAT IS DESIGNATED BY THE FEDERAL DEPARTMENT OF HEALTH AND
16 HUMAN SERVICES.

17 (4) "HEALTHCARE PROVIDER LOAN REPAYMENT FUND" OR "FUND"
18 MEANS THE HEALTH CARE PROVIDER LOAN REPAYMENT FUND CREATED IN
19 SECTION 23-3.6-205.

20 (5) "LOAN REPAYMENT PROGRAM" MEANS THE STATE HEALTH
21 CARE PROVIDER LOAN REPAYMENT PROGRAM CREATED AND OPERATED
22 PURSUANT TO THIS PART 2.

23 (6) "OTHER HEALTH PROFESSIONALS" MEANS CERTIFIED NURSE
24 PRACTITIONERS, CERTIFIED NURSE MIDWIVES, LICENSED MENTAL HEALTH
25 PRACTITIONERS, AND PHYSICIAN ASSISTANTS.

26 (7) "PRIMARY HEALTH SERVICES" MEANS HEALTH SERVICES
27 REGARDING FAMILY MEDICINE, GENERAL PRACTICE, GENERAL INTERNAL

1 MEDICINE, PEDIATRICS, GENERAL OBSTETRICS AND GYNECOLOGY, OR
2 MENTAL HEALTH THAT ARE PROVIDED BY PHYSICIANS OR OTHER HEALTH
3 PROFESSIONALS.

4 **23-3.6-203. State health care provider loan repayment**
5 **program - creation - conditions.** (1) (a) COLLEGEINVEST SHALL
6 DEVELOP AND MAINTAIN, IN CONSULTATION WITH THE COMMUNITY
7 BOARD, THE STATE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM
8 FOR IMPLEMENTATION BEGINNING IN THE FALL SEMESTER OF THE 2007-08
9 ACADEMIC YEAR, SUBJECT TO AVAILABLE APPROPRIATIONS. UNDER THE
10 LOAN REPAYMENT PROGRAM, THE STATE SHALL AGREE TO PAY ALL OR
11 PART OF THE PRINCIPAL, INTEREST, AND RELATED EXPENSES OF THE
12 EDUCATION LOANS OF PHYSICIANS OR OTHER HEALTH PROFESSIONALS,
13 SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (2) OF THIS
14 SECTION. IN CONSIDERATION FOR RECEIVING REPAYMENT OF ALL OR PART
15 OF HIS OR HER EDUCATION LOAN, THE PHYSICIAN OR OTHER HEALTH
16 PROFESSIONAL SHALL AGREE TO PROVIDE PRIMARY HEALTH SERVICES IN
17 FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREAS IN
18 COLORADO.

19 (b) REPAYMENT OF LOANS UNDER THE LOAN REPAYMENT
20 PROGRAM MAY BE MADE USING MONEYS IN THE HEALTH CARE PROVIDER
21 LOAN REPAYMENT FUND AND MONEYS ALLOCATED TO THE LOAN
22 REPAYMENT PROGRAM BY COLLEGEINVEST. COLLEGEINVEST IS
23 AUTHORIZED TO RECEIVE AND EXPEND GIFTS, GRANTS, AND DONATIONS OR
24 MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE PURPOSE OF
25 IMPLEMENTING THE LOAN REPAYMENT PROGRAM. IN ADMINISTERING THE
26 LOAN REPAYMENT PROGRAM, COLLEGEINVEST SHALL COLLABORATE WITH
27 THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER AND OTHER

1 APPROPRIATE PARTNERS AS NEEDED TO MAXIMIZE THE FEDERAL MONEYS
2 AVAILABLE TO THE STATE FOR STATE LOAN REPAYMENT PROGRAMS
3 THROUGH THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES.

4 (c) PHYSICIANS AND OTHER HEALTH PROFESSIONALS PRACTICING
5 IN NONPRIMARY CARE SPECIALTIES SHALL NOT BE ELIGIBLE FOR LOAN
6 REPAYMENTS THROUGH THE LOAN REPAYMENT PROGRAM.

7 (d) AS A CONDITION OF RECEIVING A LOAN REPAYMENT THROUGH
8 THE LOAN REPAYMENT PROGRAM, A PHYSICIAN OR OTHER HEALTH
9 PROFESSIONAL SHALL ENTER INTO A CONTRACT PURSUANT TO WHICH THE
10 PHYSICIAN OR OTHER HEALTH PROFESSIONAL SHALL AGREE TO PRACTICE
11 FOR AT LEAST TWO YEARS IN A LOCAL COMMUNITY THAT IS LOCATED IN A
12 FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA. THE
13 PHYSICIAN OR OTHER HEALTH PROFESSIONAL, COLLEGEINVEST, AND THE
14 LOCAL COMMUNITY PROVIDER WITH WHICH THE PHYSICIAN OR OTHER
15 HEALTH PROFESSIONAL IS PRACTICING SHALL BE PARTIES TO THE
16 CONTRACT.

17 (2) SUBJECT TO AVAILABLE APPROPRIATIONS, COLLEGEINVEST
18 SHALL ANNUALLY SELECT PHYSICIANS OR OTHER HEALTH PROFESSIONALS
19 FROM THE LIST PROVIDED BY THE COMMUNITY BOARD PURSUANT TO
20 SECTION 23-3.6-204 (5) TO PARTICIPATE IN THE LOAN REPAYMENT
21 PROGRAM. EACH SELECTED PHYSICIAN OR OTHER HEALTH PROFESSIONAL
22 MAY RECEIVE NO MORE THAN THIRTY-FIVE THOUSAND DOLLARS IN EACH
23 OF THE TWO OR MORE YEARS IN WHICH THE PHYSICIAN OR OTHER HEALTH
24 PROFESSIONAL PRACTICES IN A LOCAL COMMUNITY UNDER THE TERMS OF
25 THE CONTRACT ENTERED INTO PURSUANT TO SUBSECTION (1) OF THIS
26 SECTION.

27 (3) A PHYSICIAN OR OTHER HEALTH PROFESSIONAL PARTICIPATING

1 IN THE STATE LOAN REPAYMENT PROGRAM SHALL NOT PRACTICE WITH A
2 FOR-PROFIT PRIVATE GROUP OR SOLO PRACTICE OR AT A PROPRIETARY
3 HOSPITAL OR CLINIC.

4 (4) A CONTRACT FOR LOAN REPAYMENT ENTERED INTO PURSUANT
5 TO THIS PART 2 SHALL NOT INCLUDE TERMS THAT ARE MORE FAVORABLE
6 TO PHYSICIANS OR OTHER HEALTH PROFESSIONALS THAN THE MOST
7 FAVORABLE TERMS THAT THE SECRETARY OF THE FEDERAL DEPARTMENT
8 OF HEALTH AND HUMAN SERVICES IS AUTHORIZED TO GRANT UNDER THE
9 NATIONAL HEALTH SERVICES CORPS LOAN REPAYMENT PROGRAM. IN
10 ADDITION, EACH CONTRACT SHALL INCLUDE PENALTIES FOR BREACH OF
11 CONTRACT THAT ARE AT LEAST AS STRINGENT AS THOSE AVAILABLE TO
12 THE SECRETARY OF THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN
13 SERVICES. IN THE EVENT OF A BREACH OF CONTRACT FOR A LOAN
14 REPAYMENT ENTERED INTO PURSUANT TO THIS PART 2, COLLEGEINVEST
15 SHALL BE RESPONSIBLE FOR ENFORCING THE CONTRACT AND COLLECTING
16 ANY DAMAGES OR OTHER PENALTIES OWED.

17 (5) A PHYSICIAN OR OTHER HEALTH PROFESSIONAL MAY RECEIVE
18 PAYMENT OF ALL OR A PORTION OF HIS OR HER EDUCATION LOAN THROUGH
19 THE LOAN REPAYMENT PROGRAM ONLY IF COLLEGEINVEST OWNS THE
20 EDUCATION LOAN.

21 **23-3.6-204. Health care community board - creation -**
22 **membership - duties - repeal.** (1) THERE IS HEREBY CREATED THE
23 HEALTH CARE COMMUNITY BOARD TO REVIEW APPLICATIONS FOR
24 PARTICIPATION IN THE LOAN REPAYMENT PROGRAM AND MAKE
25 RECOMMENDATIONS TO COLLEGEINVEST PURSUANT TO SECTION
26 23-3.6-203 (2).

27 (2) THE COMMUNITY BOARD SHALL CONSIST OF TEN MEMBERS

1 APPOINTED BY THE GOVERNOR. IN APPOINTING MEMBERS OF THE
2 COMMUNITY BOARD, THE GOVERNOR SHALL ENSURE THAT THE
3 COMMUNITY BOARD INCLUDES:

4 (a) AT LEAST ONE REPRESENTATIVE FROM EACH OF THE
5 FOLLOWING ORGANIZATIONS:

6 (I) THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER;

7 (II) THE COLORADO PRIMARY CARE OFFICE IN THE PREVENTION
8 DIVISION OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

9 (III) THE COMMISSION ON FAMILY MEDICINE CREATED PURSUANT
10 TO PART 9 OF ARTICLE 1 OF TITLE 25, C.R.S.;

11 (IV) A NONPROFIT STATEWIDE MEMBERSHIP ORGANIZATION THAT
12 PROVIDES PROGRAMS AND SERVICES TO ENHANCE RURAL HEALTH CARE IN
13 COLORADO;

14 (V) A MEMBERSHIP ORGANIZATION REPRESENTING FEDERALLY
15 QUALIFIED HEALTH CENTERS IN COLORADO; AND

16 (VI) A STATEWIDE MEMBERSHIP ORGANIZATION REPRESENTING
17 PHYSICIANS IN COLORADO; AND

18 (b) PERSONS WITH EXPERTISE IN PROVIDING HEALTH CARE IN
19 RURAL AND OTHER MEDICALLY UNDERSERVED AREAS OF THE STATE.

20 (3) MEMBERS APPOINTED TO THE COMMUNITY BOARD SHALL
21 SERVE TERMS OF THREE YEARS; EXCEPT THAT, OF THE MEMBERS INITIALLY
22 APPOINTED TO THE COMMUNITY BOARD, THE GOVERNOR SHALL SELECT
23 THREE MEMBERS WHO SHALL SERVE ONE-YEAR TERMS AND THREE
24 MEMBERS WHO SHALL SERVE TWO-YEAR TERMS. THE GOVERNOR MAY
25 APPOINT THE SAME PERSON TO SERVE AS A MEMBER OF THE COMMUNITY
26 BOARD FOR CONSECUTIVE TERMS.

27 (4) COMMUNITY BOARD MEMBERS SHALL SERVE WITHOUT

1 COMPENSATION AND WITHOUT REIMBURSEMENT FOR EXPENSES.

2 (5) THE COMMUNITY BOARD SHALL REVIEW APPLICATIONS
3 RECEIVED FROM PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO
4 PARTICIPATE IN THE LOAN REPAYMENT PROGRAM. SUBJECT TO AVAILABLE
5 APPROPRIATIONS, THE COMMUNITY BOARD SHALL ANNUALLY SELECT
6 PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PARTICIPATE IN THE
7 LOAN REPAYMENT PROGRAM AND SHALL FORWARD ITS LIST OF SELECTED
8 PARTICIPANTS TO COLLEGEINVEST.

9 (6) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2017.

10 (b) PRIOR TO SAID REPEAL, THE COMMUNITY BOARD SHALL BE
11 REVIEWED AS PROVIDED FOR IN SECTION 2-3-1203, C.R.S.

12 **23-3.6-205. Health care provider loan repayment fund -**
13 **acceptance of grants and donations.** (1) THE HEALTH CARE PROVIDER
14 LOAN REPAYMENT FUND IS HEREBY CREATED IN THE STATE TREASURY
15 WHICH SHALL CONSIST OF:

16 (a) ALL MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FOR
17 THE LOAN REPAYMENT PROGRAM;

18 (b) GRANTS AVAILABLE FROM THE FEDERAL DEPARTMENT OF
19 HEALTH AND HUMAN SERVICES FOR THE PURPOSE OF OPERATING LOAN
20 REPAYMENT PROGRAMS;

21 (c) MONEYS TRANSFERRED FROM THE SHORT-TERM INNOVATIVE
22 HEALTH PROGRAM GRANT FUND PURSUANT TO SECTION 25-36-101 (3),
23 C.R.S.;

24 (d) CONTRIBUTIONS FROM COMMUNITIES; AND

25 (e) ANY AMOUNTS RECEIVED PURSUANT TO SUBSECTION (3) OF
26 THIS SECTION.

27 (2) THE MONEYS IN THE FUND, OTHER THAN ANY FEDERAL MONEYS

1 CREDITED TO THE FUND, ARE HEREBY CONTINUOUSLY APPROPRIATED TO
2 THE DEPARTMENT OF HIGHER EDUCATION FOR THE LOAN REPAYMENT
3 PROGRAM. ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
4 OF THIS PART 2 MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED
5 BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT
6 AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND.
7 ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND
8 AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT
9 BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

10 (3) COLLEGEINVEST IS AUTHORIZED TO RECEIVE CONTRIBUTIONS,
11 GRANTS, AND SERVICES FROM PUBLIC AND PRIVATE SOURCES TO CARRY
12 OUT THE PURPOSES OF THIS PART 2. ANY MONEYS SO RECEIVED SHALL BE
13 TRANSFERRED TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO
14 THE FUND.

15 **SECTION 2.** 25-36-101, Colorado Revised Statutes, as enacted
16 by Senate Bill 07-097, enacted at the First Regular Session of the
17 Sixty-sixth General Assembly, is amended BY THE ADDITION OF A
18 NEW SUBSECTION to read:

19 **25-36-101. Short-term grants for innovative health programs**
20 **- grant fund - creation.** (3) NOTWITHSTANDING ANY OTHER PROVISION
21 OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR AND FOR EACH FISCAL
22 YEAR THEREAFTER THROUGH THE 2011-12 FISCAL YEAR, THE STATE
23 TREASURER SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE
24 HEALTH PROGRAM GRANT FUND TO THE HEALTH CARE PROVIDER LOAN
25 REPAYMENT FUND CREATED IN SECTION 23-3.6-205, C.R.S., FOR PURPOSES
26 OF THE STATE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM, THE
27 LESSER OF SIXTY THOUSAND DOLLARS OR FOUR PERCENT OF THE AMOUNT

1 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT
2 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)
3 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR
4 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

5 **SECTION 3. Repeal.** Article 22 of title 25, Colorado Revised
6 Statutes, is repealed.

7 **SECTION 4.** The introductory portion to 23-3.6-101, Colorado
8 Revised Statutes, is amended to read:

9 **23-3.6-101. Definitions.** As used in this ~~article~~ PART 1, unless the
10 context otherwise requires:

11 **SECTION 5.** 23-3.6-102 (1) (b), Colorado Revised Statutes, is
12 amended to read:

13 **23-3.6-102. Nursing teacher loan forgiveness pilot program -**
14 **administration - fund - conditions.** (1) (b) There is hereby created in
15 the state treasury the nursing teacher loan forgiveness fund, which shall
16 consist of all moneys appropriated by the general assembly for the
17 program and any gifts, grants, and donations received for said purpose.
18 Moneys in the fund are hereby continuously appropriated to the
19 department of higher education for the program. Any moneys in the fund
20 not expended for the purpose of this ~~article~~ PART 1 may be invested by the
21 state treasurer as provided by law. All interest and income derived from
22 the investment and deposit of moneys in the fund shall be credited to the
23 fund. At the end of any fiscal year, all unexpended and unencumbered
24 moneys in the fund shall remain in the fund and shall not be credited or
25 transferred to the general fund or any other fund.

26 **SECTION 6.** 23-3.6-104, Colorado Revised Statutes, is amended
27 to read:

1 **23-3.6-104. Repeal of part.** This ~~article~~ PART 1 is repealed,
2 effective July 1, 2018.

3 **SECTION 7.** 2-3-1203 (3), Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

5 **2-3-1203. Sunset review of advisory committees.** (3) The
6 following dates are the dates for which the statutory authorization for the
7 designated advisory committees is scheduled for repeal:

8 (dd) JULY 1, 2017: THE HEALTH CARE COMMUNITY BOARD
9 CREATED PURSUANT TO SECTION 23-3.6-204, C.R.S.

10 **SECTION 8. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.