

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 07-0864.02 Julie Pelegrin

SENATE BILL 07-232

SENATE SPONSORSHIP

Romer,

HOUSE SPONSORSHIP

Massey,

Senate Committees

Health and Human Services
Appropriations

House Committees

Health and Human Services
Appropriations

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, AND MAKING AN**
104 **APPROPRIATION IN CONNECTION THEREWITH.**

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

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.*

HOUSE
Amended 2nd Reading
May 1, 2007

SENATE
3rd Reading Unamended
April 20, 2007

SENATE
2nd Reading Unamended
April 19, 2007

receive through the program. Directs collegeinvest to administer the program in collaboration with the university of Colorado health sciences 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

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

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

8 (1) "COLLEGEINVEST" MEANS THE AUTHORITY TRANSFERRED TO
9 THE DEPARTMENT OF HIGHER EDUCATION PURSUANT TO SECTION
10 23-3.1-203.

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

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

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

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

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

27 (7) "PRIMARY HEALTH SERVICES" MEANS HEALTH SERVICES

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

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

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

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

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

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

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

1 (3) A PHYSICIAN OR OTHER HEALTH PROFESSIONAL PARTICIPATING
2 IN THE STATE LOAN REPAYMENT PROGRAM SHALL NOT PRACTICE WITH A
3 FOR-PROFIT PRIVATE GROUP OR SOLO PRACTICE OR AT A PROPRIETARY
4 HOSPITAL OR CLINIC.

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

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

22 **23-3.6-204. Health care community board - creation -**
23 **membership - duties - repeal.** (1) THERE IS HEREBY CREATED THE
24 HEALTH CARE COMMUNITY BOARD TO REVIEW APPLICATIONS FOR
25 PARTICIPATION IN THE LOAN REPAYMENT PROGRAM AND MAKE
26 RECOMMENDATIONS TO COLLEGEINVEST PURSUANT TO SECTION
27 23-3.6-203 (2).

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

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

7 (I) A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE
8 THAT HAS EXPERIENCE IN ADMINISTERING EDUCATION LOAN REPAYMENT
9 PROGRAMS FOR HEALTH PROFESSIONALS SERVING IN MEDICALLY
10 UNDERSERVED AREAS;

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

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

15 (IV) A NONPROFIT STATEWIDE MEMBERSHIP ORGANIZATION THAT
16 PROVIDES PROGRAMS AND SERVICES TO ENHANCE RURAL HEALTH CARE IN
17 COLORADO;

18 (V) A MEMBERSHIP ORGANIZATION REPRESENTING FEDERALLY
19 QUALIFIED HEALTH CENTERS IN COLORADO; AND

20 (VI) A STATEWIDE MEMBERSHIP ORGANIZATION REPRESENTING
21 PHYSICIANS IN COLORADO; AND

22 (b) PERSONS WITH EXPERTISE IN PROVIDING HEALTH CARE IN
23 RURAL AND OTHER MEDICALLY UNDERSERVED AREAS OF THE STATE,
24 INCLUDING BUT NOT LIMITED TO A REPRESENTATIVE FROM A PUBLIC
25 INSTITUTION OF HIGHER EDUCATION IN THE STATE THAT PROVIDES HEALTH
26 CARE PROFESSIONAL EDUCATION PROGRAMS.

27 (3) MEMBERS APPOINTED TO THE COMMUNITY BOARD SHALL

1 SERVE TERMS OF THREE YEARS; EXCEPT THAT, OF THE MEMBERS INITIALLY
2 APPOINTED TO THE COMMUNITY BOARD, THE GOVERNOR SHALL SELECT
3 THREE MEMBERS WHO SHALL SERVE ONE-YEAR TERMS AND THREE
4 MEMBERS WHO SHALL SERVE TWO-YEAR TERMS. THE GOVERNOR MAY
5 APPOINT THE SAME PERSON TO SERVE AS A MEMBER OF THE COMMUNITY
6 BOARD FOR CONSECUTIVE TERMS.

7 (4) COMMUNITY BOARD MEMBERS SHALL SERVE WITHOUT
8 COMPENSATION AND WITHOUT REIMBURSEMENT FOR EXPENSES.

9 (5) THE COMMUNITY BOARD SHALL REVIEW APPLICATIONS
10 RECEIVED FROM PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO
11 PARTICIPATE IN THE LOAN REPAYMENT PROGRAM. SUBJECT TO AVAILABLE
12 APPROPRIATIONS, THE COMMUNITY BOARD SHALL ANNUALLY SELECT
13 PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PARTICIPATE IN THE
14 LOAN REPAYMENT PROGRAM AND SHALL FORWARD ITS LIST OF SELECTED
15 PARTICIPANTS TO COLLEGEINVEST.

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

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

19 **23-3.6-205. Health care provider loan repayment fund -**
20 **acceptance of grants and donations.** (1) THE HEALTH CARE PROVIDER
21 LOAN REPAYMENT FUND IS HEREBY CREATED IN THE STATE TREASURY
22 WHICH SHALL CONSIST OF:

23 (a) ALL MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FOR
24 THE LOAN REPAYMENT PROGRAM;

25 (b) GRANTS AVAILABLE FROM THE FEDERAL DEPARTMENT OF
26 HEALTH AND HUMAN SERVICES FOR THE PURPOSE OF OPERATING LOAN
27 REPAYMENT PROGRAMS;

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

4 (d) CONTRIBUTIONS FROM COMMUNITIES; AND

5 (e) ANY AMOUNTS RECEIVED PURSUANT TO SUBSECTION (3) OF
6 THIS SECTION.

7 (2) THE MONEYS IN THE FUND, OTHER THAN ANY FEDERAL MONEYS
8 CREDITED TO THE FUND, ARE HEREBY CONTINUOUSLY APPROPRIATED TO
9 THE DEPARTMENT OF HIGHER EDUCATION FOR THE LOAN REPAYMENT
10 PROGRAM. ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE
11 OF THIS PART 2 MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED
12 BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT
13 AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND.
14 ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND
15 AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT
16 BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

17 (3) COLLEGEINVEST IS AUTHORIZED TO RECEIVE CONTRIBUTIONS,
18 GRANTS, AND SERVICES FROM PUBLIC AND PRIVATE SOURCES TO CARRY
19 OUT THE PURPOSES OF THIS PART 2. ANY MONEYS SO RECEIVED SHALL BE
20 TRANSFERRED TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO
21 THE FUND.

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

26 **25-36-101. Short-term grants for innovative health programs**
27 **- grant fund - creation.** (3) NOTWITHSTANDING ANY OTHER PROVISION

1 OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR AND FOR EACH FISCAL
2 YEAR THEREAFTER THROUGH THE 2011-12 FISCAL YEAR, THE STATE
3 TREASURER SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE
4 HEALTH PROGRAM GRANT FUND TO THE HEALTH CARE PROVIDER LOAN
5 REPAYMENT FUND CREATED IN SECTION 23-3.6-205, C.R.S., FOR PURPOSES
6 OF THE STATE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM, THE
7 LESSER OF SIXTY THOUSAND DOLLARS OR SIX PERCENT OF THE AMOUNT
8 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT
9 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)
10 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR
11 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

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

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

16 **23-3.6-101. Definitions.** As used in this ~~article~~ PART 1, unless the
17 context otherwise requires:

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

20 **23-3.6-102. Nursing teacher loan forgiveness pilot program -**
21 **administration - fund - conditions.** (1) (b) There is hereby created in
22 the state treasury the nursing teacher loan forgiveness fund, which shall
23 consist of all moneys appropriated by the general assembly for the
24 program and any gifts, grants, and donations received for said purpose.
25 Moneys in the fund are hereby continuously appropriated to the
26 department of higher education for the program. Any moneys in the fund
27 not expended for the purpose of this ~~article~~ PART 1 may be invested by the

1 state treasurer as provided by law. All interest and income derived from
2 the investment and deposit of moneys in the fund shall be credited to the
3 fund. At the end of any fiscal year, all unexpended and unencumbered
4 moneys in the fund shall remain in the fund and shall not be credited or
5 transferred to the general fund or any other fund.

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

8 **23-3.6-104. Repeal of part.** This ~~article~~ PART 1 is repealed,
9 effective July 1, 2018.

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

12 **2-3-1203. Sunset review of advisory committees.** (3) The
13 following dates are the dates for which the statutory authorization for the
14 designated advisory committees is scheduled for repeal:

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

17 **SECTION 8.** Section 14 (5) (c) of Senate Bill 07-097, enacted at
18 the First Regular Session of the Sixty-sixth General Assembly, is
19 amended to read:

20 **Section 14. Appropriation.** (5)(c) In addition to any other
21 appropriation, there is hereby appropriated, out of any moneys in the
22 short-term innovative health program grant fund created in section
23 25-36-101 (2), Colorado Revised Statutes, not otherwise appropriated, to
24 the department of public health and environment, for the fiscal year
25 beginning July 1, 2007, the sum of ~~one million four hundred thousand~~
26 ~~dollars (\$1,400,000)~~, ONE MILLION THREE HUNDRED FORTY THOUSAND
27 DOLLARS (\$1,340,000), cash funds exempt, and 1.0 FTE, or so much

1 thereof as may be necessary, for the implementation of this act.

2 **SECTION 9. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.