

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 10-0625.01 Jerry Barry

HOUSE BILL 10-1138

HOUSE SPONSORSHIP

Gagliardi, Massey, Apuan, Casso, Ferrandino, Fischer, Frangas, Hullinghorst, Kefalas, Labuda, McFadyen, Middleton, Pace, Rice, Scanlan, Todd, Tyler

SENATE SPONSORSHIP

Morse, Newell

House Committees

Health and Human Services

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE PROGRAM TO REPAY EDUCATIONAL LOANS OF**
102 **HEALTH CARE PROFESSIONALS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billssummaries>.)

The bill changes the name of the state health care professional loan repayment program to the Colorado health services corps (health services corps), the name of the health care community board to the Colorado health services advisory council, and the name of the health care professional loan repayment fund to the Colorado health services corps

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.

fund. Contracts for health care professional loan repayments entered into by collegeinvest or the primary care office in the department of public health and environment (primary care office) under the prior name of the program are still valid obligations.

The bill specifies the manner in which the health services corps may make a lump sum payment on an eligible professional's education loans pursuant to a contract. The bill exempts the selection of health care professionals from the competitive bidding requirements of the procurement code. The bill repeals the \$35,000 per year limit on the amount of education loan repayment that a health professional may receive under the health services corps.

The bill requires the primary care office to report specified information to the governor and specified committees of the general assembly on or before December 1, 2011, and every other December 1 thereafter.

The bill makes conforming amendments due to the name changes.

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

2 **SECTION 1.** 25-20.5-701 (2), Colorado Revised Statutes, is
3 amended to read:

4 **25-20.5-701. Legislative declaration.** (2) It is therefore the
5 intent of the general assembly in enacting this part 7 to create a state loan
6 repayment HEALTH SERVICES CORPS program that uses state and federal
7 moneys and contributions from communities and private sources to help
8 repay the outstanding education loans that many health care professionals
9 hold. In exchange for repayment of these loans, the health care
10 professionals will commit to provide health care services in communities
11 with underserved health care needs throughout the state.

12 **SECTION 2.** 25-20.5-702 (1), (4), (5), and (8), Colorado Revised
13 Statutes, are amended, and the said 25-20.5-702 is further amended BY
14 THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to
15 read:

16 **25-20.5-702. Definitions.** As used in this part 7, unless the

1 context otherwise requires:

2 (1) ~~"Community board"~~ "ADVISORY COUNCIL" means the ~~health~~
3 ~~care community board~~ COLORADO HEALTH SERVICES CORPS ADVISORY
4 COUNCIL created pursuant to section 25-20.5-704.

5 (1.5) "COLORADO HEALTH SERVICES CORPS" MEANS THE LOAN
6 REPAYMENT PROGRAM CREATED AND OPERATED PURSUANT TO THIS PART
7 7.

8 (1.7) "COLORADO HEALTH SERVICES CORPS FUND" OR "FUND"
9 MEANS THE COLORADO HEALTH SERVICES CORPS FUND CREATED IN
10 SECTION 25-20.5-706.

11 (4) ~~"Health care professional loan repayment fund" or "fund"~~
12 ~~means the health care professional loan repayment fund created in section~~
13 ~~25-20.5-706.~~

14 (5) ~~"Loan repayment program" means the state health care~~
15 ~~professional loan repayment program created and operated pursuant to~~
16 ~~this part 7.~~

17 (8) "Primary health services" means health services regarding
18 family medicine, general practice, general internal medicine, pediatrics,
19 general obstetrics and gynecology, ORAL HEALTH, or mental health that
20 are provided by health care professionals.

21 **SECTION 3.** 25-20.5-703 (1), (2), and (3), Colorado Revised
22 Statutes, are amended to read:

23 **25-20.5-703. Colorado health services corps - program -**
24 **creation - conditions.** (1) (a) (I) (A) ~~Collegeninvest in the department of~~
25 ~~higher education shall develop and maintain, in consultation with the~~
26 ~~community board, the state health care provider loan repayment program~~
27 ~~for implementation beginning in the fall semester of the 2007-08~~

1 ~~academic year, subject to available appropriations, except that, Beginning~~
2 July 1, 2009, the primary care office shall maintain and administer,
3 subject to available appropriations, the ~~loan repayment program, and~~
4 ~~collegeinvest shall no longer maintain nor exercise any authority~~
5 ~~regarding the loan repayment program~~ COLORADO HEALTH SERVICES
6 CORPS. SUBJECT TO AVAILABLE APPROPRIATIONS, THE COLORADO HEALTH
7 SERVICES CORPS SHALL PROVIDE LOAN REPAYMENT FOR CERTAIN ELIGIBLE
8 HEALTH CARE PROFESSIONALS WHO PROVIDE PRIMARY HEALTH SERVICES.

9 (B) ALL CONTRACTS ENTERED INTO BY OR ON BEHALF OF
10 COLLEGEINVEST PURSUANT TO PART 2 OF ARTICLE 3.6 OF TITLE 23, C.R.S.,
11 AS IT EXISTED PRIOR TO JUNE 2, 2009, OR THE PRIMARY CARE OFFICE ON
12 BEHALF OF THE STATE HEALTH CARE PROFESSIONAL LOAN REPAYMENT
13 PROGRAM PURSUANT TO THIS PART 7, AS IT EXISTED PRIOR TO JULY 1,
14 2010, ARE HEREBY VALIDATED AS OBLIGATIONS OF THE PRIMARY CARE
15 OFFICE ON BEHALF OF THE COLORADO HEALTH SERVICES CORPS.

16 (II) Under the ~~loan repayment program~~ COLORADO HEALTH
17 SERVICES CORPS, SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION
18 (2) OF THIS SECTION, UPON ENTERING INTO A LOAN CONTRACT, the state
19 ~~shall~~ MAY EITHER:

20 (A) MAKE PAYMENTS ON THE EDUCATION LOANS OF THE HEALTH
21 CARE PROFESSIONAL; OR

22 (B) Agree to ~~pay~~ MAKE AN ADVANCE PAYMENT IN A LUMP SUM OF
23 all or part of the principal, interest, and related expenses of the education
24 loans of health care professionals, subject to the limitations specified in
25 subsection (2) of this section.

26 (III) In consideration for receiving repayment of all or part of his
27 or her education loan, the health care professional shall agree to provide

1 primary health services in federally designated health professional
2 shortage areas in Colorado.

3 (b) Repayment of loans under the ~~loan repayment program~~
4 COLORADO HEALTH SERVICES CORPS may be made using moneys in the
5 COLORADO health care ~~professional loan repayment~~ SERVICES CORPS
6 fund. The primary care office is authorized to receive and expend gifts,
7 grants, and donations or moneys appropriated by the general assembly for
8 the purpose of implementing the ~~loan repayment program~~ COLORADO
9 HEALTH SERVICES CORPS. In administering the ~~loan repayment program~~
10 COLORADO HEALTH SERVICES CORPS, the primary care office shall
11 collaborate with the university of Colorado health sciences center and
12 other appropriate partners as needed to maximize the federal moneys
13 available to the state for state loan repayment programs through the
14 federal department of health and human services. THE SELECTION OF
15 HEALTH CARE PROFESSIONALS FOR PARTICIPATION IN THE COLORADO
16 HEALTH SERVICES CORPS IS EXEMPT FROM THE COMPETITIVE BIDDING
17 REQUIREMENTS OF THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF
18 TITLE 24, C.R.S.

19 (c) Health care professionals practicing in nonprimary care
20 specialties shall not be eligible for loan repayments through the ~~loan~~
21 ~~repayment program~~ COLORADO HEALTH SERVICES CORPS.

22 (d) As a condition of receiving a loan repayment through the ~~loan~~
23 ~~repayment program~~ COLORADO HEALTH SERVICES CORPS, a health care
24 professional shall enter into a contract pursuant to which the health care
25 professional shall agree to practice for at least two years in a community
26 that is located in a federally designated health professional shortage area.
27 The health care professional, the primary care office, and the community

1 employer with which the health care professional is practicing shall be
2 parties to the contract.

3 (2) Subject to available appropriations, the primary care office
4 shall annually select health care professionals from the list provided by
5 the ~~community board~~ ADVISORY COUNCIL pursuant to section 25-20.5-704
6 (6) to participate in the ~~loan repayment program~~. Each selected health
7 care professional may receive no more than thirty-five thousand dollars
8 in each of the two or more years in which the health care professional
9 practices in a community under the terms of the contract entered into
10 pursuant to subsection (1) of this section COLORADO HEALTH SERVICES
11 CORPS.

12 (3) A health care professional participating in the ~~state loan~~
13 ~~repayment program~~ COLORADO HEALTH SERVICES CORPS shall not
14 practice with a for-profit private group or solo practice or at a proprietary
15 hospital or clinic.

16 **SECTION 4.** 25-20.5-704 (1), the introductory portions to
17 25-20.5-704 (2) and (3), and 25-20.5-704 (4), (5), (6), and (7) (b),
18 Colorado Revised Statutes, are amended to read:

19 **25-20.5-704. Colorado health services corps advisory council**
20 **- creation - membership - duties - repeal.** (1) There is hereby created
21 in the primary care office the ~~health care community board~~ COLORADO
22 HEALTH SERVICES CORPS ADVISORY COUNCIL to review applications for
23 participation in the ~~loan repayment program~~ COLORADO HEALTH SERVICES
24 CORPS and make recommendations to the primary care office pursuant to
25 section 25-20.5-703 (2).

26 (2) The ~~community board~~ ADVISORY COUNCIL shall consist of
27 fifteen members appointed by the governor as provided in this subsection

1 (2) and in subsection (3) of this section. In appointing members of the
2 ~~community board~~ ADVISORY COUNCIL, the governor shall ensure that the
3 ~~community board~~ ADVISORY COUNCIL includes:

4 (3) On and after July 1, 2009, in addition to the members specified
5 in subsection (2) of this section, the governor shall appoint to the
6 ~~community board~~ ADVISORY COUNCIL at least one representative from
7 each of the following organizations:

8 (4) (a) Members appointed to the ~~community board~~ ADVISORY
9 COUNCIL shall serve terms of three years; except that:

10 (I) Of the members initially appointed to the ~~community board~~
11 ADVISORY COUNCIL pursuant to subsection (2) of this section, the
12 governor shall select three members who shall serve one-year terms and
13 three members who shall serve two-year terms; and

14 (II) Of the members initially appointed to the ~~community board~~
15 ADVISORY COUNCIL pursuant to subsection (3) of this section, the
16 governor shall select two members who shall serve one-year terms and
17 two members who shall serve two-year terms.

18 (b) The governor may appoint the same person to serve as a
19 member of the ~~community board~~ ADVISORY COUNCIL for consecutive
20 terms.

21 (5) (a) ~~Community board~~ ADVISORY COUNCIL members shall serve
22 without compensation and without reimbursement for expenses.

23 (b) The primary care office shall provide staff assistance to the
24 ~~community board~~ ADVISORY COUNCIL as necessary for the ~~community~~
25 ~~board~~ ADVISORY COUNCIL to complete the duties specified in this section.

26 (6) The ~~community board~~ ADVISORY COUNCIL shall review
27 applications received from health care professionals to participate in the

1 ~~loan repayment program~~ COLORADO HEALTH SERVICES CORPS. Subject
2 to available appropriations and federal requirements concerning eligibility
3 for federal loan repayment matching funds, the ~~community board~~
4 ADVISORY COUNCIL shall annually select health care professionals to
5 participate in the ~~loan repayment program~~ COLORADO HEALTH SERVICES
6 CORPS and shall forward its list of selected participants to the primary care
7 office.

8 (7) (b) Prior to said repeal, the ~~community board~~ ADVISORY
9 COUNCIL shall be reviewed as provided for in section 2-3-1203, C.R.S.

10 **SECTION 5.** 25-20.5-705, Colorado Revised Statutes, is
11 amended to read:

12 **25-20.5-705. Advisory council - report.** (1) On or before
13 December 1, ~~2009~~ 2011, AND ON OR BEFORE DECEMBER 1 EVERY TWO
14 YEARS THEREAFTER, the ~~community board~~ ADVISORY COUNCIL shall
15 submit to the governor and the ~~general assembly~~ HEALTH AND HUMAN
16 SERVICES COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES,
17 OR ANY SUCCESSOR COMMITTEES, a report that includes, at a minimum,
18 the following information:

19 (a) Identification and a summary of successful loan forgiveness
20 programs for health care professionals and best practices in health care
21 professional loan forgiveness programs across the country;

22 (b) ~~A summary of existing loan forgiveness programs for health~~
23 ~~care professionals in Colorado, including annual information concerning~~
24 ~~the clients served by the health care professionals participating in the~~
25 ~~programs, how many health care professionals participated in the~~
26 ~~programs, and how the programs are structured;~~ and A DESCRIPTION OF
27 THE PROGRAMMATIC GOALS OF THE COLORADO HEALTH SERVICES CORPS,

1 INCLUDING THE PRESENT STATUS OF AND ANY BARRIERS TO MEETING
2 THOSE GOALS;

3 ~~(c) A review of the merits of streamlining or consolidating~~
4 ~~existing loan forgiveness programs for health care professionals,~~
5 ~~including a possible mechanism by which private loan forgiveness~~
6 ~~programs may voluntarily participate with public loan forgiveness~~
7 ~~programs, and a recommendation either in support of or against~~
8 ~~streamlining and consolidating these existing loan forgiveness programs.~~

9 EXISTING EFFORTS AND POTENTIAL FUTURE PROJECTS TO OVERCOME ANY
10 BARRIERS TO MEETING THE PROGRAMMATIC GOALS OF THE COLORADO
11 HEALTH SERVICES CORPS;

12 (d) AN ANALYSIS OF THE IMPACT OF THE COLORADO HEALTH
13 SERVICE CORPS PROGRAM; AND

14 (e) IF APPLICABLE, RESULTS OF ANY SURVEYS CONDUCTED OF
15 STATE HEALTH PROFESSIONAL INCENTIVE PROGRAMS IN PRIMARY CARE
16 AND ANY RECOMMENDATIONS TO INDIVIDUALLY ENHANCE, IMPROVE
17 COORDINATION AMONG, AND POTENTIALLY CONSOLIDATE EXISTING OR
18 POTENTIAL PROGRAMS TO BETTER ADDRESS COLORADO'S PRIMARY CARE
19 WORKFORCE ISSUES.

20 (2) ~~If the community board recommends streamlining and~~
21 ~~consolidating existing loan forgiveness programs for health care~~
22 ~~professionals, it shall include with the recommendation a proposal for~~
23 ~~streamlining and consolidating that includes, but need not be limited to,~~
24 ~~the following items:~~

25 (a) ~~Recommendations concerning the statutory and operational~~
26 ~~rule changes that would be necessary to implement a new program;~~

27 (b) ~~A sample standard application form;~~

1 ~~(c) Proposed eligibility criteria for health care professionals and~~
2 ~~specifications of award amounts;~~

3 ~~(d) Strategies for recruitment and retention of health care~~
4 ~~professionals to the new program;~~

5 ~~(e) Strategies to maximize the amount of federal moneys the state~~
6 ~~may receive for health care professional loan forgiveness programs;~~

7 ~~(f) Strategies for pursuing gifts, grants, and donations to be~~
8 ~~applied to health care professional loan forgiveness programs; and~~

9 ~~(g) Any recommended changes to the membership or governance~~
10 ~~structure of the community board.~~

11 **SECTION 6.** The introductory portion to 25-20.5-706 (1) and
12 25-20.5-706 (1) (a), (1) (e), (2), and (3), Colorado Revised Statutes, are
13 amended to read:

14 **25-20.5-706. Colorado health services corps fund - created -**
15 **acceptance of grants and donations.** (1) The COLORADO health care
16 professional loan repayment SERVICES CORPS fund is hereby created in the
17 state treasury, which fund shall consist of:

18 (a) All moneys appropriated by the general assembly for the loan
19 repayment program COLORADO HEALTH SERVICES CORPS;

20 ~~(e) Any amounts received pursuant to subsection (3) of this~~
21 ~~section; and~~

22 (2) The moneys in the fund, other than any federal moneys
23 credited to the fund, are hereby continuously appropriated to the primary
24 care office for the loan repayment program COLORADO HEALTH SERVICES
25 CORPS. Any moneys in the fund not expended for the purpose of this part
26 7 may be invested by the state treasurer as provided by law. All interest
27 and income derived from the investment and deposit of moneys in the

1 fund shall be credited to the fund. Any unexpended and unencumbered
2 moneys remaining in the fund at the end of a fiscal year shall remain in
3 the fund and shall not be credited or transferred to the general fund or
4 another fund.

5 (3) The primary care office is authorized to receive contributions,
6 grants, and services from public and private sources to carry out the
7 purposes of this part 7. ~~Any moneys so received shall be transferred to~~
8 ~~the state treasurer who shall credit the same to the fund.~~

9 **SECTION 7.** 2-3-1203 (3) (dd) (VIII), Colorado Revised
10 Statutes, is amended to read:

11 **2-3-1203. Sunset review of advisory committees.** (3) The
12 following dates are the dates for which the statutory authorization for the
13 designated advisory committees is scheduled for repeal:

14 (dd) July 1, 2017:

15 (VIII) ~~The health care community board~~ COLORADO HEALTH
16 SERVICES CORPS ADVISORY COUNCIL created pursuant to section
17 25-20.5-704, C.R.S.;

18 **SECTION 8.** 25-4-1415 (4) (a), Colorado Revised Statutes, is
19 amended to read:

20 **25-4-1415. Cash fund - administration - limitation.** (4) For the
21 2009-10 fiscal year, the state treasurer shall transfer from the fund:

22 (a) To the COLORADO ~~health care professional loan repayment~~
23 SERVICES CORPS fund created in section 25-20.5-706 the amount of one
24 hundred twenty thousand dollars; and

25 **SECTION 9.** 25-20.5-603 (3), Colorado Revised Statutes, is
26 amended to read:

27 **25-20.5-603. Primary care office - creation.** (3) The primary

1 care office shall include the ~~health care community board~~ COLORADO
2 HEALTH SERVICES CORPS ADVISORY COUNCIL created in section
3 25-20.5-704.

4 **SECTION 10.** 25-20.5-604 (1) (d), Colorado Revised Statutes,
5 is amended to read:

6 **25-20.5-604. Primary care office - powers and duties.** (1) The
7 primary care office shall have, at a minimum, the following powers and
8 duties:

9 (d) To administer the ~~state health care professional loan~~
10 ~~repayment program~~ COLORADO HEALTH SERVICES CORPS pursuant to the
11 provisions of part 7 of this article;

12 **SECTION 11.** 25-36-101 (10) (b), Colorado Revised Statutes, is
13 amended to read:

14 **25-36-101. Short-term grants for innovative health programs**
15 **- grant fund - creation - appropriation from fund - transfer of**
16 **moneys for fiscal years 2007-08 through 2011-12.**

17 (10) (b) Notwithstanding any other provision of this section, for the
18 2009-10 fiscal year and for each fiscal year thereafter through the
19 2011-12 fiscal year, the state treasurer shall transfer from the short-term
20 innovative health program grant fund to the COLORADO health ~~care~~
21 ~~professional loan repayment~~ SERVICES CORPS fund created in section
22 25-20.5-706, for purposes of the ~~state health care professional loan~~
23 ~~repayment program~~ COLORADO HEALTH SERVICES CORPS, the lesser of
24 ninety thousand seventy dollars or six percent of the amount allocated to
25 the short-term innovative health program grant fund for the fiscal year
26 pursuant to section 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate
27 Bill 07-097 at the first regular session of the sixty-sixth general assembly.

1 **SECTION 12. Specified effective date.** This act shall take effect
2 July 1, 2010.

3 **SECTION 13. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.