

**SUBSTITUTE FOR  
SENATE BILL NO. 649**

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending sections 2707 and 2723 (MCL 333.2707 and 333.2723), as  
added by 1990 PA 16.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 2707. (1) The department shall administer a grant program  
2 for minority students enrolled in medical schools, **DENTAL SCHOOLS**,  
3 nursing programs, or physician's assistant programs. Only minority  
4 students who meet the financial resources eligibility standards for  
5 federal student loan programs under title IV of the higher  
6 education act of 1965, Public Law 89-329, are eligible to receive a  
7 grant under this section.

8       (2) The department may award a grant to a minority student  
9 enrolled in a medical school who is training to become a designated

1 physician, **TO A MINORITY STUDENT ENROLLED IN A DENTAL SCHOOL WHO IS**  
2 **TRAINING TO BECOME A DENTIST**, or to a minority student enrolled in  
3 a nursing program or physician's assistant program. As a condition  
4 for the award of the grant, the recipient of the grant shall enter  
5 into a written contract with the department that requires the  
6 recipient to provide, upon completion of training, full-time health  
7 care services in a health resource shortage area to which he or she  
8 is assigned by the department for a period equal to the number of  
9 years for which a grant is accepted. ~~or 2 years, whichever is~~  
10 ~~greater.~~ In awarding grants, the department shall give priority to  
11 students who are residents of this state and enrolled in a medical  
12 school, **DENTAL SCHOOL**, nursing program, or physician's assistant  
13 program in this state.

14 (3) The department shall determine an appropriate grant amount  
15 for each academic year for each health care profession.

16 (4) An individual who incurs a service obligation under  
17 subsection (2) and who completes the training program for which the  
18 grant was awarded but fails to fulfill the service obligation shall  
19 repay to the department an amount equal to 2 times the amount of  
20 all grants the individual accepted under this section plus  
21 interest. The interest shall be at a rate determined by the state  
22 treasurer to reflect the cumulative annual percentage change in the  
23 Detroit consumer price index. An individual who incurs a service  
24 obligation under subsection (2) and who fails to complete the  
25 training program for which the grant was awarded shall repay to the  
26 department an amount equal to the actual amount of all grants the  
27 individual accepted under this section. Repayment to the department

1 under this subsection shall be made within 3 years after the  
2 repayment obligation is incurred. Amounts repaid under this  
3 subsection shall be deposited with the state treasurer and credited  
4 to the minority health profession grant fund created in section  
5 2721.

6 (5) An obligated individual shall be considered to have  
7 fulfilled the service obligation incurred under subsection (2) if  
8 any of the following occur:

9 (a) Service has been rendered for the obligated period.

10 (b) The obligated individual dies.

11 (c) The obligated individual is unable, by reason of permanent  
12 disability, to render the service.

13 (d) The obligated individual fails to satisfy the academic  
14 requirements for completion of the training program in which he or  
15 she is enrolled after having made a good faith effort.

16 (e) The obligated individual fails to satisfy the requirements  
17 for licensure, certification, or other form of authorization to  
18 practice the profession for which he or she has been trained.

19 (f) Other circumstances occur that are considered by the  
20 department to constitute a compelling reason to consider the  
21 service obligation fulfilled.

22 (6) The department may accept funds for the operation of the  
23 grant program from any source and distribute those funds in a  
24 manner consistent with this section.

25 (7) As used in this section, "Detroit consumer price index"  
26 means the most comprehensive index of consumer prices available for  
27 the Detroit area from the bureau of labor statistics of the United

1 States department of labor.

2 Sec. 2723. (1) The department may promulgate rules necessary  
3 for the implementation of the department's functions under this  
4 part.

5 (2) The department shall report biennially to the legislature,  
6 the governor, the state health planning council, and the public  
7 health advisory council on the status of the Michigan essential  
8 health provider recruitment strategy for the preceding 2 years. In  
9 addition to the status report, the report shall include, but not be  
10 limited to, all of the following:

11 (a) Review of state and federal legislation, rules,  
12 guidelines, and policy directives affecting the health personnel of  
13 health resource shortage areas.

14 (b) Recommendations concerning physician specialty areas or  
15 other health professions for inclusion in the Michigan essential  
16 health provider recruitment strategy based upon a determination of  
17 the need for various types of health care providers in this state.

18 **(C) AN ASSESSMENT OF WHETHER THE AMOUNT OF DEBT OR EXPENSE**  
19 **REPAYMENT AN INDIVIDUAL MAY RECEIVE UNDER SECTION 2705(3) IS**  
20 **SUFFICIENT TO FACILITATE THE PLACEMENT AND RETENTION OF DESIGNATED**  
21 **PROFESSIONALS IN HEALTH RESOURCE SHORTAGES, OR WHETHER THAT MAXIMUM**  
22 **AMOUNT SHOULD BE ADJUSTED TO REFLECT CHANGES IN TUITION COSTS FOR**  
23 **STUDENTS ENROLLED IN MEDICAL SCHOOLS, DENTAL SCHOOLS, NURSING**  
24 **PROGRAMS, OR PHYSICIAN'S ASSISTANT PROGRAMS.**