

**SUBSTITUTE FOR  
SENATE BILL NO. 648**

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending sections 2701, 2705, and 2711 (MCL 333.2701, 333.2705,  
and 333.2711), as added by 1990 PA 16.

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

1       Sec. 2701. As used in this part:

2       (a) "Board certified" means certified to practice in a  
3 particular medical speciality by a national board recognized by the  
4 American board of medical specialties or the American osteopathic  
5 association.

6       (b) "Certified nurse midwife" means an individual licensed as  
7 a registered professional nurse under part 172 who has been issued  
8 a specialty certification in the practice of nurse midwifery by the  
9 board of nursing under section 17210.

1 (c) "Certified nurse practitioner" means an individual  
2 licensed as a registered professional nurse under part 172 who has  
3 been issued a specialty certification as a nurse practitioner by  
4 the board of nursing under section 17210.

5 (D) "DENTAL SCHOOL" MEANS AN ACCREDITED PROGRAM FOR THE  
6 TRAINING OF INDIVIDUALS TO BECOME DENTISTS.

7 (E) "DENTIST" MEANS AN INDIVIDUAL LICENSED TO ENGAGE IN THE  
8 PRACTICE OF DENTISTRY UNDER PART 166.

9 (F) ~~(d)~~—"Designated nurse" means a certified nurse midwife or  
10 certified nurse practitioner.

11 (G) ~~(e)~~—"Designated physician" means a physician qualified in  
12 1 of the physician specialty areas identified in section 2711.

13 (H) ~~(f)~~—"Designated professional" means a designated  
14 physician, designated nurse, **DENTIST**, or physician's assistant.

15 (I) ~~(g)~~—"Health resource shortage area" means a geographic  
16 area, population group, or health facility designated by the  
17 department under section 2717.

18 (J) ~~(h)~~—"Medicaid" means benefits under the program of medical  
19 assistance established under title XIX of the social security act,  
20 ~~42 U.S.C. 1396 to 1396d, 1396f to 1396g, and 1396i to 1396s, 42 USC~~  
21 **1396 TO 1396W-5**, and administered by the department of ~~social~~**HUMAN**  
22 services under the social welfare act, ~~Act No. 280 of the Public~~  
23 ~~Acts of 1939, being sections 400.1 to 400.121 of the Michigan~~  
24 ~~Compiled Laws.1939 PA 280, MCL 400.1 TO 400.119B.~~

25 (K) ~~(i)~~—"Medical school" means an accredited program for the  
26 training of individuals to become physicians.

27 (L) ~~(j)~~—"Medicare" means benefits under the federal medicare

1 program established under title XVIII of the social security act,  
 2 42 U.S.C. ~~1395 to 1395b, 1395b-2 to 1395i, 1395i-1a to 1395i-2,~~  
 3 ~~1395j to 1395dd, 1395ff to 1395mm, and 1395oo to 1395eee.~~ **42 USC**  
 4 **1395 TO 1395KKK-1.**

5 (M) ~~(k)~~ "National health service corps" means the agency  
 6 established under ~~section 331 of title III of the public health~~  
 7 ~~service act,~~ 42 U.S.C. **USC** 254d.

8 (N) ~~(l)~~ "Nurse" means an individual licensed to engage in the  
 9 practice of nursing under part 172.

10 (O) ~~(m)~~ "Nursing program" means an accredited program for the  
 11 training of individuals to become nurses.

12 (P) ~~(n)~~ "Physician" means an individual licensed as a  
 13 physician under part 170 or an osteopathic physician under part  
 14 175.

15 (Q) ~~(o)~~ "Physician's assistant" means an individual licensed  
 16 as a physician's assistant under part 170 or part 175.

17 (R) ~~(p)~~ "Physician's assistant program" means an accredited  
 18 program for the training of individuals to become physician's  
 19 assistants.

20 (S) ~~(q)~~ "Service obligation" means the contractual obligation  
 21 undertaken by an individual under section 2705 or section 2707 to  
 22 provide health care services for a determinable time period at a  
 23 site designated by the department.

24 Sec. 2705. (1) The department shall administer an essential  
 25 health provider repayment program for designated professionals who  
 26 have incurred a debt or expenses as a result of a loan taken to  
 27 attend a medical school, **DENTAL SCHOOL**, nursing program for the

1 training of certified nurse midwives or certified nurse  
2 practitioners, or physician's assistant program or as a result of  
3 providing services in a health resource shortage area. The  
4 department may each year repay all or part of a designated  
5 professional's debt or expenses, ~~in an amount not to exceed the~~ **BUT**  
6 **THE AMOUNT REPAID IN ANY 1 YEAR SHALL NOT EXCEED THE** amount set  
7 ~~forth~~ **DESCRIBED** in subsection (3). ~~for each year, up to a maximum~~  
8 ~~of 4 years.~~ The department shall repay a debt or expenses only for  
9 a designated professional who has entered into a written contract  
10 with the department that requires the designated professional to  
11 engage in the full-time practice of health care services in a  
12 health resource shortage area to which he or she is assigned by the  
13 department for a period equal in years to the number of years for  
14 which the department has agreed **IN THE CONTRACT** to make a debt or  
15 expense repayment, or **FOR A PERIOD OF 2 years**, whichever is  
16 greater.

17 (2) A debt or expense repayment on behalf of a designated  
18 professional under subsection (1) for fulfilling a service  
19 obligation for a particular year shall be paid in a lump sum at the  
20 completion of the service obligation for that year. A designated  
21 professional who does not fulfill a service obligation for a  
22 particular year forfeits his or her right to the debt or expense  
23 repayment or any part of it for that year and the department may  
24 treat an agreement for further debt or expense repayment in a  
25 subsequent year as void. In its sole discretion, the department may  
26 make a debt or expense repayment prior to or during each year of  
27 service if there are extenuating circumstances. In its sole

1 discretion, the department may pay a pro rata amount of an agreed  
2 debt or expense repayment to a designated professional or his or  
3 her estate if 1 of the following occurs prior to the completion of  
4 the designated professional's service obligation:

5 (a) The designated professional dies.

6 (b) The designated professional is unable, by reason of  
7 permanent disability, to render the service.

8 (c) Other circumstances prevail that are considered by the  
9 department to constitute a compelling reason to consider the  
10 service obligation fulfilled.

11 (3) ~~For the first~~ **IN ANY** year of the ~~A~~ debt or expense  
12 repayment program, the maximum amount of a debt or expense  
13 repayment is ~~\$25,000.00~~ **\$40,000.00** per year. ~~In each succeeding~~  
14 ~~year after the first year, the maximum amount may be increased by~~  
15 ~~5%.~~ **THE MAXIMUM AMOUNT OF DEBT OR EXPENSE REPAYMENT THE DEPARTMENT**  
16 **MAY PAY ON BEHALF OF A DESIGNATED PROFESSIONAL IS \$200,000.00, PAID**  
17 **OVER A PERIOD OF 4 YEARS OR MORE. THE AMOUNT THE DEPARTMENT SHALL**  
18 **PAY ON BEHALF OF A DESIGNATED PROFESSIONAL AND THE AMOUNT PAYABLE**  
19 **FOR EACH YEAR OF SERVICE SHALL BE INCLUDED IN THE WRITTEN CONTRACT**  
20 **UNDER SUBSECTION (1).**

21 (4) The department may accept funds from any source for the  
22 operation of the essential health provider repayment program, and  
23 shall distribute those funds in a manner consistent with this  
24 section.

25 (5) The department shall give the essential health provider  
26 repayment program created by this section priority over the other  
27 programs created under this part.

1           Sec. 2711. (1) For the programs created in sections 2705 and  
2 2707, the department shall only recruit physicians **WHO ARE**  
3 qualified or students **WHO ARE** training to become qualified in 1 or  
4 more of the following designated physician specialty areas:

5           (a) ~~Board certified, or eligible for board certification, in~~  
6 ~~general~~**GENERAL** practice.

7           (b) ~~Board certified, or eligible for board certification, in~~  
8 ~~family~~**FAMILY** practice.

9           (c) ~~Board certified, or eligible for board certification, in~~  
10 ~~obstetrics~~**OBSTETRICS**.

11           (d) ~~Board certified, or eligible for board certification, in~~  
12 ~~pediatrics~~**PEDIATRICS**.

13           (e) ~~Board certified, or eligible for board certification, in~~  
14 ~~emergency~~**EMERGENCY** medicine.

15           (f) ~~Board certified, or eligible for board certification, in~~  
16 ~~internal~~**INTERNAL** medicine.

17           (g) ~~Board certified, or eligible for board certification, in~~  
18 ~~preventive~~**PREVENTIVE** medicine.

19           (h) ~~Board certified, or eligible for board certification, in~~  
20 ~~psychiatry~~**PSYCHIATRY**.

21           (2) When enrolling individuals to participate in the programs  
22 created in sections 2705 and 2707, the department may give  
23 preference to an individual **WHO IS** qualified or studying in 1 or  
24 more **OF THE** specific designated physician specialty areas **OF**  
25 **GENERAL PRACTICE, FAMILY PRACTICE, OBSTETRICS, PEDIATRICS, OR**  
26 **INTERNAL MEDICINE** over an individual qualified or studying in  
27 another designated physician specialty area **DESCRIBED IN SUBSECTION**

1 (1) .

2 (3) AS USED IN THIS SECTION, "QUALIFIED" MEANS BOARD CERTIFIED  
3 OR ELIGIBLE FOR BOARD CERTIFICATION.