# SENATE BILL NO. 246

A bill to amend 1978 PA 368, entitled

"Public health code,"

by amending section 2705 (MCL 333.2705), as amended by 2016 PA 499.

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

1    Sec. 2705. (1) The department shall administer an essential

2 health provider repayment program for designated professionals who

3 have incurred a debt or expenses as a result of a loan taken to

4 attend a medical school, dental school, nursing program for the

5 training of certified nurse midwives, certified nurse

1 practitioners, or clinical nurse specialists-certified, or

2 physician's assistant program or as a result of providing services

3 in a health resource shortage area. The department may each year

4 repay all or part of a designated professional's debt or expenses,

5 but the amount repaid in any 1 year shall not exceed the amount

6 described in subsection (3). The department shall repay a debt or

7 expenses only for a designated professional who has entered into a

8 written contract with the department that requires the designated

9 professional to engage in the full-time practice of health care

10 services in a health resource shortage area to which he or she is

11 assigned by the department for a period equal in years to the

12 number of years for which the department has agreed in the contract

13 to make a debt or expense repayment, or for a period of 2 years,

14 whichever is greater.

15        (2) A debt or expense repayment on behalf of a designated

16 professional under subsection (1) for fulfilling a service

17 obligation for a particular year must be paid in a lump sum at the

18 completion of the service obligation for that year. A designated

19 professional who does not fulfill a service obligation for a

20 particular year forfeits his or her right to the debt or expense

21 repayment or any part of it for that year and the department may

22 treat an agreement for further debt or expense repayment in a

23 subsequent year as void. In its sole discretion, the department may

24 make a debt or expense repayment before or during each year of

25 service if there are extenuating circumstances. In its sole

26 discretion, the department may pay a pro rata amount of an agreed

27 debt or expense repayment to a designated professional or his or

28 her estate if 1 of the following occurs before the completion of

29 the designated professional's service obligation:

1     (a) The designated professional dies.

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

4     (c) Other circumstances prevail that are considered by the
5  department to constitute a compelling reason to consider the
6  service obligation fulfilled.

7     (3) In any year of a debt or expense repayment program, the
8  maximum amount of a debt or expense repayment is $40,000.00 per
9  year. ~~The~~ **Except as otherwise provided in this subsection, the**
10 maximum amount of debt or expense repayment the department may pay
11 on behalf of a designated professional is $200,000.00, paid over a
12 period of 4 years or more. **If a designated professional's term of**
13 **service extends to 10 years or more, the maximum amount of debt or**
14 **expense repayment the department may pay on behalf of the**
15 **designated professional is $250,000.00, paid over a period of 10**
16 **years or more.** The written contract described in subsection (1)
17 must include the amount the department shall pay on behalf of a
18 designated professional and the amount payable for each year of
19 service.

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

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