## Rules of
Department of Health and Senior Services
Division 10—Office of the Director
Chapter 3—General and Family Physician Loan and Training Programs

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Title 19—DEPARTMENT OF HEALTH AND SENIOR SERVICES
Division 10—Office of the Director
Chapter 3—General and Family Physician Loan and Training Programs

19 CSR 10-3.010 Loan Program for Medical Students

PURPOSE: This rule establishes guidelines for implementing the medical student loan program authorized by section 191.505, RSMo 1986.

Editor's Note: The forms mentioned in this rule follow 19 CSR 10-6.010

(1) The Missouri Department of Health may appoint a committee(s) to interview applicants and to make recommendations concerning the administration of the program.

(2) To qualify for a student loan, the applicant must have no conflicting service obligation that would prevent the student from benefiting from his/her professional services after graduation. To qualify as a student from a rural area, the applicant should have lived most of his/her life in a rural area; in particular cases, the Missouri Department of Health may determine that a student who is a resident of a rural area at the time of application qualifies even though s/he has not lived most of his/her life in a rural area. When there are more applicants than available loans, financial need may be considered in selecting loan recipients.

(3) Using data provided by the statistical section of the Missouri Department of Health, each year the Missouri Department of Health will designate areas of defined need. A community or section of an urban area will be designated as an area of defined need if the area has a population to primary-care-physician ratio of at least three thousand five hundred to one (3500:1); or if the area has a population to primary-care-physician ratio of less than three thousand five hundred to one (3500:1); but greater than two thousand five hundred to one (2500:1) and has an unusually high need for primary health care services or is underserved by specialized hospital care. An area of defined need must be a community or city of six thousand (6,000) or more population—plus the surrounding area up to a radius of approximately fifteen (15) miles—that serves generally as the central community of that area for a variety of services; or an urban or metropolitan neighborhood—generally located within the central city(ies) of a Standard Metropolitan Statistical Area—that has limited interaction with contiguous areas, a minimum population of approximately twenty thousand (20,000) and consisting of census tracts whenever possible. Any other area with unusual circumstances—such as impending retirement or failing health of physicians in the area or refusal of physicians to accept certain types of patients such as persons eligible for Medicaid or Medicare—can be evaluated on a case-by-case basis for designation as an area of defined need.

(4) Loan applications should be sent to the Missouri Department of Health, Division of Injury Prevention, Head Injury Rehabilitation and Local Health Services, P.O. Box 570, Jefferson City, MO 65102. Except for the first academic year that the program is in effect, completed applications must be received prior to April 1 for loans to be made for the next academic year. Except for the first academic year that the program is in effect, applicants must be notified by letter or before July 1, indicating that a loan will or will not be made available if funds are appropriated for the particular fiscal year.

(5) The form for the loan contract will be approved by the office of the attorney general. Loan recipients must sign new contracts for each year’s loan they receive.

(6) Each loan recipient must notify the Department of Health of any change in his/her address or educational enrollment eligibility status. The full amount of the principal and accumulated interest on the loan will be due immediately for repayment when the loan recipient loses educational enrollment eligibility status. A loan recipient loses educational enrollment eligibility status when s/he is no longer a medical student in good standing, quits school or takes a leave of absence which has not been approved by the Department of Health or fails to notify the department of changes in his/her address.

(7) If the loan recipient does not qualify for deferment of payment of the loan and interest as set forth in section 191.505, RSMo (1986), the entire loan and interest must be repaid within one (1) year. Loan recipients who do not qualify for this deferral include, but are not limited to:

(A) Recipients who are in an internship or residency program for any specialty other than primary care;
(B) Recipients who are in an internship or residency training status extending beyond the limit of three (3) years; and
(C) Recipients who enter a practice in an area not defined as rural or as an area of defined need as designated by the Department of Health.

(8) Repayment of Loans

(A) Interest will accrue from the date the check is issued.
(B) Once a loan recipient has started a practice in a rural area or in an area of defined need, the loan and interest will continue to be forgiven even if the defined need designation of the area is withdrawn.
(C) The Department of Health may grant an extension, not to exceed forty-eight (48) consecutive months, for repayment of a loan if the director of the Department of Health decides that circumstances explained in a written request from the loan recipient warrant an extension.
(D) Forgiveness and cash repayment periods are limited to forty-eight (48) consecutive months. Forgiveness and cash repayment periods are calculated beginning the first day of the calendar year following completion of internship or residency training. Forgiveness of the loan and the accrued interest may be authorized for monthly periods of less than one (1) year. No repayment period shall
PURPOSE: This rule establishes guidelines for the implementation of the Health Professional Student Loan Repayment Program that will reduce the burden of educational debt among selected health professionals in return for providing professional clinical services in areas of defined need.

(1) The following definitions shall be used in interpretation and enforcement of this rule:

(A) Approved practice site means the practice location for which the department agreed to provide support;

(B) Area of defined need means a geographic area or population designated by the Missouri Department of Health and Senior Services as experiencing a shortage of accessible primary and preventive health care services;

(C) Department means the Missouri Department of Health and Senior Services;

(D) Director means the director of the Missouri Department of Health and Senior Services;

(E) Health care professional means a general dentist or primary care physician as defined in 191.600, RSMo;

(F) Hospital means a facility licensed in the state of Missouri pursuant to Chapter 197, RSMo;

(G) Licensing board means the Board of Registration for the Healing Arts and the Missouri State Dental Board within the Missouri Department of Economic Development;

(H) Primary care means the services provided by a general dentist or a physician engaged in general or family practice, internal medicine, pediatrics, or obstetrics and gynecology as his/her primary specialty;

(I) Qualifying loans means government and commercial loans for actual costs paid for tuition and educational costs and associated living expenses for the health professional;
(J) Sliding scale fee means a fee structure that provides adjustment to charges for all individuals under two hundred percent (200%) of the federal poverty limit, based upon family income and size.

(2) The department may contract with selected health care professionals to repay in total or in part, qualifying loans in exchange for an agreement to provide primary health care services to populations in need within the state.

(3) Applicants must submit a written request that contains all of the following information and documentation presented in the order they are listed in subsections (3)(A)–(J). Applications for participation that do not comply with these requirements will not be considered. Each request shall contain:

(A) A written request from the applicant for participation in the program;
(B) A detailed written description of the proposed practice site, including the facility in which the applicant will be working and the health care services currently provided at that site;
(C) Official notification from the applicable Missouri licensing board that the applicant is licensed in good standing;
(D) For physicians, a letter from the medical director of all hospitals at which the physician has or will have privileges delineating the status of the privileges. This should include when the privileges began or will begin, how they may have changed over time and an explanation for any changes;
(E) A written statement from the applicant’s malpractice insurance carrier setting forth any claims that have been made against the applicant and the disposition of those claims;
(F) A written statement from the local public health agency, whose jurisdiction includes the applicant’s proposed practice site, that the applicant’s services are required by and are in the interest of the community;
(G) A copy of the applicant’s employment contract for the proposed practice site for a period of no less than two (2) years;
(H) Documentation of agreement to provide care to the populations in the area of defined need, including:
   1. Acceptance as a provider by the Missouri Medicaid agency; and
   2. A copy of the sliding scale fee;
(I) Documentation of qualifying loans for which repayment is requested; and
(J) A signed release of information document to allow the department to obtain current information on qualifying loans from the appropriate institutions.

(4) Selection for participation in the Health Professional Student Loan Repayment Program will be prioritized utilizing the following criteria:

(A) The degree of need for health professional services (areas with a lack of access for the entire population will be given priority over those areas without access for specific populations);
(B) Recruitment of health professionals into an area will be given priority over retention of existing providers;
(C) Those employed by an organization with a history of service to the underserved may be given priority over other employment types including self-employed applicants; and
(D) Those approved practice sites participating with the department in the financing of the loan repayments.

(5) Participation in the Health Professional Student Loan Repayment Program shall consist of payments to individual health professionals under a written contract.

(A) The contract period shall be, at a minimum, two (2) years in length.
(B) Contract amounts shall not exceed the maximum amounts allowed under the National Health Service Corps Loan Repayment Program, 42 U.S.C. section 2541-1, P.L. 106-213.
(C) Payment for the contract shall be due the final quarter of the last year of the contract period.
(D) Prepayment of the contract amount may be made to facilitate placement in areas of need within the state.
(E) The department may approve contract extensions up to three (3) additional years beyond the original contract, not to exceed five (5) years in total.

(6) Participants shall supply the following to the department by July 1 of each year:

(A) Participant’s name;
(B) Address of the participant’s approved practice site(s);
(C) The number and characteristics of the patients served including:
   1. Gender;
   2. Race/ethnicity;
   3. Age distributions; and
   4. Payor source (Medicaid, Medicare, commercial insurance or sliding scale fee);
(D) Letter from the applicable licensing board stating that the participant is licensed in good standing in Missouri; and
(E) Documentation of remaining educational debt.

(7) If an individual violates the written contract the state shall be entitled to recover from the individual an amount equal to the sum of:

(A) The total of the amounts prepaid by the state on behalf of the individual and the interest on those amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum prevailing rate as determined by the Treasurer of the United States;
(B) An amount equal to any damages incurred by the department as a result of the breach;
(C) Any legal fees or associated costs incurred by the department or the state of Missouri in the collection of damages.
