

# Budget Unit Brief

## FY 2017



## Rural Primary Care Loan Repayment Program

### Purpose

The Rural Primary Care Loan Repayment Program was established in 2012 under the direction of the College Student Aid Commission. It provides loan repayments for medical students who agree to practice as physicians in service commitment areas for five years.

### Service Commitment Areas

A service commitment area is defined as a city in Iowa with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. The service commitment area must provide match funding of \$20,000 for each physician participating in the program.

### Eligibility and Requirements for Loan Repayment

To be eligible to apply for the program, individuals must be enrolled full time in the University of Iowa College of Medicine or Des Moines University in a curriculum leading to a doctor of medicine or osteopathy degree. The applicant must have received a recommendation from the university.

Under the program agreement, the student must fulfill the following:

- Receive a doctor of medicine or osteopathy degree from an eligible university and complete a residency program approved by the Commission.
- Obtain a license to practice medicine and surgery or osteopathic medicine and surgery in Iowa.
- Within nine months of graduating from the residency program and receiving a permanent license, engage in full-time practice specializing in family medicine, pediatrics, psychiatry, internal medicine, or general surgery for a period of 60 consecutive months in an identified service commitment area.

Priority is given to eligible students who are residents of Iowa upon enrolling in the university.

### Loan Repayment

Participants are eligible for loan repayment up to \$40,000 annually, with the maximum repayment limited to \$200,000. The commission is authorized to spread the repayments over a maximum of five years and can enter into no more than 20 program agreements annually.

Annual program agreements are to be awarded evenly between students attending the University of Iowa and those attending Des Moines University. This requirement is waived in the event there are fewer than half the necessary applicants from one of the institutions.

If surplus funds are available, the commission is authorized to enter into program agreements with eligible applicants who have already completed degrees and met program requirements and are currently serving in service commitment areas.

### State Funding

An annual General Fund appropriation of \$1.6 million has been provided since FY 2014 and is sufficient to fully fund eight new program agreements per year.

### More Information

College Student Aid Commission: <http://www.iowacollegeaid.gov/index.html>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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## Rural Primary Care Loan Repayment Program

### Related Statutes and Administrative Rules

Iowa Code section [261.113](#)

[283](#) Iowa Administrative Code chapter [24](#)

**Revised September 6, 2016**