

House File 2137 - Introduced

HOUSE FILE 2137
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 537)

A BILL FOR

1 An Act relating to the establishment of a mental health
2 practitioner loan repayment program, and providing an
3 appropriation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 261.117 Mental health practitioner
2 loan repayment program — trust fund — appropriation.

3 1. *Program established.* The commission shall establish
4 a mental health practitioner loan repayment program for
5 the purposes of providing loan repayments for mental health
6 practitioners who agree to practice in service commitment areas
7 for at least five years and who meet the requirements of this
8 section.

9 2. *Eligibility.* An individual is eligible to apply to enter
10 into a program agreement with the commission if the individual
11 is enrolled full-time in and receives a recommendation from an
12 eligible university in a curriculum leading to licensure as a
13 mental health practitioner.

14 3. *Program agreements.* A program agreement shall be
15 entered into by an eligible student and the commission when the
16 eligible student begins the final year of study in an academic
17 program leading to eligibility for licensure as a mental health
18 practitioner. Under the agreement, to receive loan repayments
19 pursuant to subsection 5, an eligible student shall agree to
20 and shall fulfill all of the following requirements:

21 a. Receive a graduate-level credential qualifying the
22 credential recipient for a license to practice as a mental
23 health practitioner.

24 b. Receive a license to practice as a mental health
25 practitioner in this state.

26 c. Complete any applicable residency or certification
27 program requirement with an Iowa-based residency or
28 certification program.

29 d. Within nine months of graduating from the applicable
30 professional program, residency program, or certification
31 program and receiving a permanent license in accordance with
32 paragraph "b", engage in full-time practice as a mental health
33 practitioner for a period of five years in a service commitment
34 area.

35 e. During the five-year period of full-time practice, be

1 enrolled as an actively participating Medicaid provider.

2 4. *Priority to Iowa residents.* The commission shall give
3 priority to eligible students who are residents of Iowa upon
4 enrolling in the university.

5 5. *Loan repayment amounts.*

6 a. The amount of loan repayment an eligible student who
7 enters into an agreement pursuant to subsection 3 shall receive
8 if in compliance with obligations under the agreement shall be
9 as follows:

10 (1) For a psychiatrist or a mental health professional,
11 forty thousand dollars annually with a maximum of two hundred
12 thousand dollars for an eligible loan, not to exceed the total
13 loan amount.

14 (2) For a psychologist, eight thousand dollars annually
15 with a maximum of forty thousand dollars for an eligible loan,
16 not to exceed the total loan amount.

17 (3) For a physician assistant practicing under the
18 supervision of a psychiatrist or a psychiatric advanced
19 registered nurse practitioner, ten thousand dollars annually
20 with a maximum of fifty thousand dollars, not to exceed the
21 total loan amount.

22 b. If the total amount of the eligible student's loan
23 upon graduation is less than the maximum amount specified,
24 the commission shall divide the total amount of the eligible
25 student's eligible loan by five to determine the annual amount
26 of loan repayment the loan recipient is eligible to receive.

27 c. Payments under this section may be made for each year of
28 eligible practice during a period of five consecutive years.

29 6. *Refinanced loans.* A loan repayment recipient who
30 refinances an eligible loan by obtaining a private educational
31 loan may continue to receive loan repayment under this section
32 if the amount of loan repayment does not exceed the lesser of
33 the amount specified in subsection 5 or the balance of the loan
34 repayment amount the loan repayment recipient qualified to
35 receive with the eligible loan.

1 7. *Program agreement limitation.* The commission shall
2 by rule determine the number of agreements entered into
3 annually based upon the funding available. The percentage of
4 agreements entered into by eligible students attending eligible
5 universities shall be evenly divided. However, if there are
6 fewer applicants at one eligible university, eligible student
7 applicants enrolled in other eligible universities may be
8 awarded the remaining agreements.

9 8. *Selection of service commitment area.* A loan repayment
10 recipient shall notify the commission of the recipient's
11 service commitment area prior to beginning practice in the area
12 in accordance with subsection 3, paragraph "d". The commission
13 may waive the requirement that the loan repayment recipient
14 practice in the same service commitment area for all five
15 years.

16 9. *Rules for additional loan repayment.* The commission
17 shall adopt rules to provide, in addition to loan repayment
18 provided to eligible students pursuant to this section and
19 subject to the availability of surplus funds, loan repayment to
20 a psychiatrist, a psychologist, a mental health professional,
21 a physician assistant practicing under the supervision of
22 a psychiatrist, or a psychiatric advanced registered nurse
23 practitioner, who, as provided in subsection 3, received a
24 degree from an eligible university, obtained a license to
25 practice in this state, and is engaged in full-time practice in
26 the respective profession in a service commitment area.

27 10. *Part-time practice — agreement amended.* A person who
28 entered into an agreement pursuant to subsection 3 may apply
29 to the commission to amend the agreement to allow the person
30 to engage in less than the full-time practice specified in the
31 agreement and under subsection 3, paragraph "d". The commission
32 and the person may consent to amend the agreement under which
33 the person shall engage in less than full-time practice in a
34 service commitment area for an extended period of part-time
35 practice determined by the commission to be proportional to

1 the amount of full-time practice remaining under the original
2 agreement. For purposes of this subsection, "*less than*
3 *the full-time practice*" means at least seventy percent of a
4 forty-hour workweek.

5 11. *Postponement and satisfaction of service obligation.*

6 a. The obligation to engage in practice in accordance with
7 subsection 3 shall be postponed for the following purposes:

8 (1) Active duty status in the armed forces, the armed forces
9 military reserve, or the national guard.

10 (2) Service in volunteers in service to America.

11 (3) Service in the federal peace corps.

12 (4) A period of service commitment to the United States
13 public health service commissioned corps.

14 (5) A period of religious missionary work conducted by an
15 organization exempt from federal income taxation pursuant to
16 section 501(c)(3) of the Internal Revenue Code.

17 (6) Any period of temporary medical incapacity during which
18 the person obligated is unable, due to a medical condition, to
19 engage in full-time practice as required under subsection 3,
20 paragraph "d".

21 b. Except for a postponement under paragraph "a",
22 subparagraph (6), an obligation to engage in practice under an
23 agreement entered into pursuant to subsection 3 shall not be
24 postponed for more than two years from the time the full-time
25 practice was to have commenced under the agreement.

26 c. An obligation to engage in full-time practice under
27 an agreement entered into pursuant to subsection 3 shall be
28 considered satisfied when any of the following conditions are
29 met:

30 (1) The terms of the agreement are completed.

31 (2) The person who entered into the agreement dies.

32 (3) The person who entered into the agreement, due to a
33 permanent disability, is unable to practice as a mental health
34 practitioner.

35 d. If a loan repayment recipient fails to fulfill

1 the obligation to engage in practice in accordance with
2 subsection 3, the recipient shall be subject to repayment to
3 the commission of the loan amount plus interest as specified
4 by rule. A loan repayment recipient who fails to meet the
5 requirements of the obligation to engage in practice in
6 accordance with subsection 3 may also be subject to repayment
7 of moneys advanced by the service commitment area as provided
8 in any agreement with the service commitment area.

9 12. *Trust fund established.* A mental health practitioner
10 loan repayment program trust fund is created in the state
11 treasury as a separate fund under the control of the
12 commission. The commission shall remit all repayments made
13 pursuant to this section to the trust fund. All moneys
14 deposited or paid into the trust fund are appropriated and
15 made available to the commission to be used for meeting the
16 requirements of this section. Moneys in the trust fund up
17 to the total amount that an eligible student may receive
18 for an eligible loan in accordance with this section and
19 upon fulfilling the requirements of subsection 3, shall be
20 considered encumbered for the duration of the agreement entered
21 into pursuant to subsection 3. Notwithstanding section 8.33,
22 any balance in the trust fund on June 30 of each fiscal year
23 shall not revert to the general fund of the state, but shall
24 be available for purposes of this section in subsequent fiscal
25 years.

26 13. *Report.* The commission shall submit in a report to
27 the general assembly by January 1, annually, the number of
28 individuals who received loan repayment pursuant to this
29 section, where the participants practiced, the amount paid to
30 each program participant, and other information identified by
31 the commission as indicators of outcomes of the program.

32 14. *Rules.* The commission shall adopt rules pursuant to
33 chapter 17A to administer this section.

34 15. *Definitions.* For purposes of this section:

35 a. "*Advanced registered nurse practitioner*" means a person

1 licensed as a registered nurse under chapter 152 or 152E who
2 is licensed by the board of nursing as an advanced registered
3 nurse practitioner.

4 *b. "Eligible loan"* means the recipient's total federally
5 guaranteed Stafford loan amount under the federal family
6 education loan program or the federal direct loan program, the
7 recipient's federal grad plus loans, or the recipient's federal
8 Perkins loan, including principal and interest.

9 *c. "Eligible university"* means a college or university that
10 meets the requirements of section 261.2, subsection 10, and
11 is an institution of higher learning under the control of the
12 state board of regents or an accredited private institution as
13 defined in section 261.9.

14 *d. "Federal mental health shortage area"* means a federal
15 mental health shortage area designated by the health resources
16 and services administration of the United States department of
17 health and human services.

18 *e. "Mental health practitioner"* means a psychiatrist,
19 a psychologist, a mental health professional, a physician
20 assistant practicing under the supervision of a psychiatrist,
21 or a psychiatric advanced registered nurse practitioner.

22 *f. "Mental health professional"* means an individual who
23 meets all of the following qualifications:

24 (1) The individual holds at least a master's degree from
25 an eligible institution in a mental health field, including
26 psychology, counseling and guidance, social work, marriage and
27 family therapy, or mental health counseling.

28 (2) The individual holds a current Iowa license if
29 practicing in a field covered by an Iowa licensure law.

30 (3) The individual has at least two years of post-degree
31 clinical experience, supervised by another individual in the
32 mental health field, in assessing mental health needs and
33 problems and in providing appropriate mental health services.

34 (4) The individual is not eligible for the rural Iowa
35 advanced registered nurse practitioner and physician assistant

1 loan repayment program established pursuant to section 261.114.

2 *g. "Psychiatric advanced registered nurse practitioner"*

3 means an individual currently licensed as a registered nurse
4 under chapter 152 or 152E who holds a national certification in
5 psychiatric mental health care and who is licensed by the board
6 of nursing as an advanced registered nurse practitioner.

7 *h. "Service commitment area"* means a city in Iowa located
8 within a federal mental health shortage area that provides a
9 twenty thousand dollar contribution for deposit in the mental
10 health practitioner loan repayment trust fund for each loan
11 recipient in the community who is participating in the loan
12 repayment program.

13 Sec. 2. MENTAL HEALTH PRACTITIONER LOAN REPAYMENT PROGRAM
14 TRUST FUND — APPROPRIATION. There is appropriated from the
15 general fund of the state to the college student aid commission
16 for the fiscal year beginning July 1, 2022, and ending June
17 30, 2023, the following amounts, or so much thereof as is
18 necessary, to be used for the purposes designated:

19 For deposit in the mental health practitioner loan repayment
20 program trust fund established pursuant to section 261.117, to
21 be used for the purposes of the program:

22 \$ 1,500,000

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.

26 This bill establishes a mental health practitioner loan
27 repayment program, and provides an appropriation.

28 The bill requires the Iowa student aid commission to
29 establish a mental health practitioner loan repayment program
30 for the purposes of providing loan repayments for mental health
31 practitioners who agree to practice in service commitment
32 areas for at least five years and meet the requirements of
33 the bill. "Mental health practitioner" means a psychiatrist,
34 a psychologist, a mental health professional, a physician
35 assistant practicing under the supervision of a psychiatrist,

1 or a psychiatric advanced registered nurse practitioner.

2 The bill includes provisions, similar to those for other
3 loan repayment and loan forgiveness programs for health
4 professionals under Code chapter 261, including the rural Iowa
5 primary care loan repayment program, relating to eligibility,
6 program agreements, program priority for Iowa residents,
7 loan repayment amounts, refinanced loans, program agreement
8 limitations, the selection of the service commitment area,
9 rules for loan repayment, rules for additional loan repayment,
10 part-time practice agreement amendments, postponement and
11 satisfaction of service obligations, the establishment of a
12 trust fund for the program, the submission of annual reports
13 regarding the program, and the adoption of administrative rules
14 for the program.

15 Under the bill, the loan repayment amount for a psychiatrist
16 or a mental health professional is \$40,000 annually with a
17 maximum of \$200,000 for an eligible loan, not to exceed the
18 total loan amount; for a psychologist is \$8,000 annually with
19 a maximum of \$40,000 for an eligible loan, not to exceed the
20 total loan amount; and for a physician assistant practicing
21 under the supervision of a psychiatrist or a psychiatric
22 advanced registered nurse practitioner is \$10,000 annually with
23 a maximum of \$50,000 not to exceed the total loan amount.

24 The bill provides definitions for the purposes of the bill
25 and provides for an appropriation from the general fund of the
26 state to the college student aid commission for FY 2022-2023 to
27 be deposited in the mental health practitioner loan repayment
28 program trust fund established under the bill to be used for
29 the purposes of the program.