

# House File 2549 - Introduced

HOUSE FILE 2549

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2137)

(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 a  
12 university in a curriculum leading to licensure as a mental  
13 health practitioner. A recipient of a loan repayment award  
14 under section 261.113, 261.114, 261.115, or 261.116 shall not  
15 be eligible for a loan repayment award under this chapter.

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

23     *a.* Receive a graduate-level credential qualifying the  
24 credential recipient for a license to practice as a mental  
25 health practitioner.

26     *b.* Receive a license to practice as a mental health  
27 practitioner in this state.

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

34     *d.* During the five-year period of full-time practice, be  
35 enrolled as an actively participating Medicaid provider.

1     4. *Priorities in making awards.* In making awards under this  
2 section, the commission shall give priority to:

3     a. Eligible students who are residents of Iowa upon  
4 enrolling in a university and who agree to practice in a  
5 service commitment area located in a mental health professional  
6 shortage area.

7     b. Service commitment areas that are located in mental  
8 health professional shortage areas.

9     5. *Loan repayment amounts.*

10    a. The amount of loan repayment an eligible student who  
11 enters into an agreement pursuant to subsection 3 shall receive  
12 if in compliance with obligations under the agreement shall be  
13 as follows:

14    (1) For a psychiatrist, forty thousand dollars annually  
15 with a maximum of two hundred thousand dollars for an eligible  
16 loan, not to exceed the total loan amount.

17    (2) For a psychologist or a mental health professional,  
18 eight thousand dollars annually with a maximum of forty  
19 thousand dollars for an eligible loan, not to exceed the total  
20 loan amount.

21    (3) For a physician assistant practicing under the  
22 supervision of a psychiatrist, or for a psychiatric advanced  
23 registered nurse practitioner, ten thousand dollars annually  
24 with a maximum of fifty thousand dollars, not to exceed the  
25 total loan amount.

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

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

33    6. *Refinanced loans.* A loan repayment recipient who  
34 refinances an eligible loan by obtaining a private educational  
35 loan may continue to receive loan repayment under this section

1 if the amount of loan repayment does not exceed the lesser of  
2 the amount specified in subsection 5 or the balance of the loan  
3 repayment amount the loan repayment recipient qualified to  
4 receive with the eligible loan.

5     7. *Program agreement limitation.* The commission shall by  
6 rule determine the number of agreements entered into annually  
7 based upon the funding available.

8     8. *Selection of service commitment area.* A loan repayment  
9 recipient shall notify the commission of the recipient's  
10 service commitment area prior to beginning practice in the area  
11 in accordance with subsection 3, paragraph "c". Priority shall  
12 be given to recipients who select service commitment areas  
13 located in mental health professional shortage areas. The  
14 commission may waive the requirement that the loan repayment  
15 recipient practice in the same service commitment area for all  
16 five years.

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

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

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

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

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

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

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

12 (3) Service in the federal peace corps.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10    *c. "Mental health practitioner"* means a psychiatrist,  
11 a psychologist, a mental health professional, a physician  
12 assistant practicing under the supervision of a psychiatrist,  
13 or a psychiatric advanced registered nurse practitioner.

14    *d. "Mental health professional"* means an individual who  
15 meets all of the following qualifications:

16       (1) The individual holds at least a master's degree in  
17 a mental health field, including psychology, counseling and  
18 guidance, social work, marriage and family therapy, or mental  
19 health counseling.

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

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

26    *e. "Mental health professional shortage area"* means a mental  
27 health health professional shortage area designated by the  
28 health resources and services administration of the United  
29 States department of health and human services.

30    *f. "Psychiatric advanced registered nurse practitioner"*  
31 means an individual currently licensed as a registered nurse  
32 under chapter 152 or 152E who holds a national certification in  
33 psychiatric mental health care and who is licensed by the board  
34 of nursing as an advanced registered nurse practitioner.

35    *g. "Service commitment area"* means a city in Iowa that



1 rules for additional loan repayment, part-time practice  
2 agreement amendments, postponement and satisfaction of service  
3 obligations, the establishment of a trust fund for the program,  
4 the submission of annual reports regarding the program, and the  
5 adoption of administrative rules for the program.

6 Under the bill, the loan repayment amount for a psychiatrist  
7 is \$40,000 annually with a maximum of \$200,000 for an eligible  
8 loan, not to exceed the total loan amount; for a psychologist  
9 or a mental health professional is \$8,000 annually with a  
10 maximum of \$40,000 for an eligible loan, not to exceed the  
11 total loan amount; and for a physician assistant practicing  
12 under the supervision of a psychiatrist or for a psychiatric  
13 advanced registered nurse practitioner is \$10,000 annually with  
14 a maximum of \$50,000 not to exceed the total loan amount.

15 The bill provides definitions for the purposes of the bill  
16 and provides for an appropriation from the general fund of the  
17 state to the college student aid commission for FY 2022-2023 to  
18 be deposited in the mental health practitioner loan repayment  
19 program trust fund established under the bill to be used for  
20 the purposes of the program.