

House Study Bill 537 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON MEYER)

A BILL FOR

1 An Act relating to the establishment of a prescribing mental
2 health 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 Prescribing mental
2 health practitioner loan repayment program — trust fund —
3 appropriation.

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

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

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

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

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

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

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

1 service commitment area.

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, forty thousand dollars annually
11 with a maximum of two hundred thousand dollars for an eligible
12 loan, not to exceed the total loan amount.

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

16 (3) For a psychiatric advanced registered nurse
17 practitioner, ten thousand dollars annually with a maximum of
18 fifty thousand dollars, not to exceed the total loan amount.

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

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

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

33 7. *Program agreement limitation.* The commission shall
34 by rule determine the number of agreements entered into
35 annually based upon the funding available. The percentage of

1 agreements entered into by eligible students attending eligible
2 universities shall be evenly divided. However, if there are
3 fewer applicants at one eligible university, eligible student
4 applicants enrolled in other eligible universities may be
5 awarded the remaining agreements.

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

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

23 10. *Part-time practice — agreement amended.* A person who
24 entered into an agreement pursuant to subsection 3 may apply
25 to the commission to amend the agreement to allow the person
26 to engage in less than the full-time practice specified in the
27 agreement and under subsection 3, paragraph "d". The commission
28 and the person may consent to amend the agreement under which
29 the person shall engage in less than full-time practice in a
30 service commitment area for an extended period of part-time
31 practice determined by the commission to be proportional to
32 the amount of full-time practice remaining under the original
33 agreement. For purposes of this subsection, "less than
34 the full-time practice" means at least seventy percent of a
35 forty-hour workweek.

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

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

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

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

7 (3) Service in the federal peace corps.

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

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

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

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

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

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

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

28 (3) The person who entered into the agreement, due to a
29 permanent disability, is unable to practice as a prescribing
30 mental health practitioner.

31 d. If a loan repayment recipient fails to fulfill
32 the obligation to engage in practice in accordance with
33 subsection 3, the recipient shall be subject to repayment to
34 the commission of the loan amount plus interest as specified
35 by rule. A loan repayment recipient who fails to meet the

1 requirements of the obligation to engage in practice in
2 accordance with subsection 3 may also be subject to repayment
3 of moneys advanced by the service commitment area as provided
4 in any agreement with the service commitment area.

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

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

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

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

31 a. *"Advanced registered nurse practitioner"* means a person
32 licensed as a registered nurse under chapter 152 or 152E who
33 is licensed by the board of nursing as an advanced registered
34 nurse practitioner.

35 b. *"Eligible loan"* means the recipient's total federally

1 guaranteed Stafford loan amount under the federal family
2 education loan program or the federal direct loan program, the
3 recipient's federal grad plus loans, or the recipient's federal
4 Perkins loan, including principal and interest.

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

10 *d. "Federal mental health shortage area"* means a federal
11 mental health shortage area designated by the health resources
12 and services administration of the United States department of
13 health and human services.

14 *e. "Prescribing mental health practitioner"* means a
15 psychiatrist, a prescribing psychologist, or a psychiatric
16 advanced registered nurse practitioner.

17 *f. "Prescribing psychologist"* means the same as defined in
18 section 154B.1.

19 *g. "Psychiatric advanced registered nurse practitioner"*
20 means an individual currently licensed as a registered nurse
21 under chapter 152 or 152E who holds a national certification in
22 psychiatric mental health care and who is licensed by the board
23 of nursing as an advanced registered nurse practitioner.

24 *h. "Service commitment area"* means a city in Iowa located
25 within a federal mental health shortage area that provides
26 a twenty thousand dollar contribution for deposit in the
27 prescribing mental health practitioner loan repayment
28 trust fund for each loan recipient in the community who is
29 participating in the loan repayment program.

30 Sec. 2. PRESCRIBING MENTAL HEALTH PRACTITIONER LOAN
31 REPAYMENT PROGRAM TRUST FUND — APPROPRIATION. There is
32 appropriated from the general fund of the state to the college
33 student aid commission for the fiscal year beginning July 1,
34 2022, and ending June 30, 2023, the following amounts, or so
35 much thereof as is necessary, to be used for the purposes

1 designated:

2 For deposit in the prescribing mental health practitioner
3 loan repayment program trust fund established pursuant to
4 section 261.117, to be used for the purposes of the program:
5 \$ 1,000,000

6 EXPLANATION

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

9 This bill establishes a prescribing mental health
10 practitioner loan repayment program, and provides an
11 appropriation.

12 The bill requires the Iowa student aid commission to
13 establish a prescribing mental health practitioner loan
14 repayment program for the purposes of providing loan repayments
15 for prescribing mental health practitioners who agree to
16 practice in service commitment areas for at least five years
17 and meet the requirements of the bill. "Prescribing mental
18 health practitioner" means a psychiatrist, a prescribing
19 psychologist, or a psychiatric advanced registered nurse
20 practitioner.

21 The bill includes provisions, similar to those for other
22 loan repayment and loan forgiveness programs for health
23 professionals under Code chapter 261, including the rural Iowa
24 primary care loan repayment program, relating to eligibility,
25 program agreements, program priority for Iowa residents,
26 loan repayment amounts, refinanced loans, program agreement
27 limitations, the selection of the service commitment area,
28 rules for loan repayment, rules for additional loan repayment,
29 part-time practice agreement amendments, postponement and
30 satisfaction of service obligations, the establishment of a
31 trust fund for the program, the submission of annual reports
32 regarding the program, and the adoption of administrative rules
33 for the program.

34 Under the bill, the loan repayment amount for a psychiatrist
35 is \$40,000 annually with a maximum of \$200,000 for an eligible

1 loan, not to exceed the total loan amount; for a prescribing
2 psychologist is \$8,000 annually with a maximum of \$40,000 for
3 an eligible loan, not to exceed the total loan amount; and for
4 a psychiatric advanced registered nurse practitioner is \$10,000
5 annually with a maximum of \$50,000 not to exceed the total loan
6 amount.

7 The bill provides definitions for the purposes of the bill
8 and provides for an appropriation from the general fund of the
9 state to the college student aid commission for FY 2022-2023 to
10 be deposited in the prescribing mental health practitioner loan
11 repayment program trust fund established under the bill to be
12 used for the purposes of the program.