

## CHAPTER 142

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**HEALTH AND ENVIRONMENT**


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**HOUSE BILL 10-1138**

BY REPRESENTATIVE(S) Gagliardi, Massey, Apuan, Casso, Ferrandino, Fischer, Frangas, Hullinghorst, Kefalas, Labuda, McFadyen, Middleton, Pace, Rice, Scanlan, Todd, Tyler, Curry, Gerou, Riesberg, Roberts, Schafer S., Carroll T.; also SENATOR(S) Morse, Newell, Boyd, Carroll M., Foster, Heath, Hodge, Hudak, Johnston, Romer, Sandoval, Schwartz, Shaffer B., Steadman, Tochtrop, Whitehead, Williams.

**AN ACT****CONCERNING THE PROGRAM TO REPAY EDUCATIONAL LOANS OF HEALTH CARE PROFESSIONALS.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 25-20.5-701 (2), Colorado Revised Statutes, is amended to read:

**25-20.5-701. Legislative declaration.** (2) It is therefore the intent of the general assembly in enacting this part 7 to create a state ~~loan repayment~~ HEALTH SERVICE CORPS program that uses state and federal moneys and contributions from communities and private sources to help repay the outstanding education loans that many health care professionals hold. In exchange for repayment of these loans, the health care professionals will commit to provide health care services in communities with underserved health care needs throughout the state.

**SECTION 2.** 25-20.5-702 (1), (4), (5), and (8), Colorado Revised Statutes, are amended, and the said 25-20.5-702 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

**25-20.5-702. Definitions.** As used in this part 7, unless the context otherwise requires:

(1) ~~"Community board"~~ "ADVISORY COUNCIL" means the ~~health care community board~~ COLORADO HEALTH SERVICE CORPS ADVISORY COUNCIL created pursuant to section 25-20.5-704.

(1.5) "COLORADO HEALTH SERVICE CORPS" MEANS THE LOAN REPAYMENT PROGRAM CREATED AND OPERATED PURSUANT TO THIS PART 7.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(1.7) "COLORADO HEALTH SERVICE CORPS FUND" OR "FUND" MEANS THE COLORADO HEALTH SERVICE CORPS FUND CREATED IN SECTION 25-20.5-706.

~~(4) "Health care professional loan repayment fund" or "fund" means the health care professional loan repayment fund created in section 25-20.5-706.~~

~~(5) "Loan repayment program" means the state health care professional loan repayment program created and operated pursuant to this part 7.~~

(8) "Primary health services" means health services regarding family medicine, general practice, general internal medicine, pediatrics, general obstetrics and gynecology, ORAL HEALTH, or mental health that are provided by health care professionals.

**SECTION 3.** 25-20.5-703 (1), (2), and (3), Colorado Revised Statutes, are amended to read:

**25-20.5-703. Colorado health service corps - program - creation - conditions.**

(1) (a) (I) (A) ~~Collegeninvest in the department of higher education shall develop and maintain, in consultation with the community board, the state health care provider loan repayment program for implementation beginning in the fall semester of the 2007-08 academic year, subject to available appropriations; except that, Beginning July 1, 2009, the primary care office shall maintain and administer, subject to available appropriations, the loan repayment program, and colleginvest shall no longer maintain nor exercise any authority regarding the loan repayment program~~ COLORADO HEALTH SERVICE CORPS. SUBJECT TO AVAILABLE APPROPRIATIONS, THE COLORADO HEALTH SERVICE CORPS SHALL PROVIDE LOAN REPAYMENT FOR CERTAIN ELIGIBLE HEALTH CARE PROFESSIONALS WHO PROVIDE PRIMARY HEALTH SERVICES.

(B) ALL CONTRACTS ENTERED INTO BY OR ON BEHALF OF COLLEGEINVEST PURSUANT TO PART 2 OF ARTICLE 3.6 OF TITLE 23, C.R.S., AS IT EXISTED PRIOR TO JUNE 2, 2009, OR THE PRIMARY CARE OFFICE ON BEHALF OF THE STATE HEALTH CARE PROFESSIONAL LOAN REPAYMENT PROGRAM PURSUANT TO THIS PART 7, AS IT EXISTED PRIOR TO JULY 1, 2010, ARE HEREBY VALIDATED AS OBLIGATIONS OF THE PRIMARY CARE OFFICE ON BEHALF OF THE COLORADO HEALTH SERVICE CORPS.

(II) Under the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS, SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (2) OF THIS SECTION, UPON ENTERING INTO A LOAN CONTRACT, the state ~~shall~~ MAY EITHER:

(A) MAKE PAYMENTS ON THE EDUCATION LOANS OF THE HEALTH CARE PROFESSIONAL; OR

(B) Agree to ~~pay~~ MAKE AN ADVANCE PAYMENT IN A LUMP SUM OF all or part of the principal, interest, and related expenses of the education loans of health care professionals, subject to the limitations specified in subsection (2) of this section.

(III) In consideration for receiving repayment of all or part of his or her education loan, the health care professional shall agree to provide primary health services in

federally designated health professional shortage areas in Colorado.

(b) Repayment of loans under the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS may be made using moneys in the COLORADO health ~~care professional loan repayment~~ SERVICE CORPS fund. The primary care office is authorized to receive and expend gifts, grants, and donations or moneys appropriated by the general assembly for the purpose of implementing the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS. In administering the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS, the primary care office shall collaborate with the university of Colorado health sciences center and other appropriate partners as needed to maximize the federal moneys available to the state for state loan repayment programs through the federal department of health and human services. THE SELECTION OF HEALTH CARE PROFESSIONALS FOR PARTICIPATION IN THE COLORADO HEALTH SERVICE CORPS IS EXEMPT FROM THE COMPETITIVE BIDDING REQUIREMENTS OF THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24, C.R.S.

(c) Health care professionals practicing in nonprimary care specialties shall not be eligible for loan repayments through the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS.

(d) As a condition of receiving a loan repayment through the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS, a health care professional shall enter into a contract pursuant to which the health care professional shall agree to practice for at least two years in a community that is located in a federally designated health professional shortage area. The health care professional, the primary care office, and the community employer with which the health care professional is practicing shall be parties to the contract.

(2) Subject to available appropriations, the primary care office shall annually select health care professionals from the list provided by the ~~community board~~ ADVISORY COUNCIL pursuant to section 25-20.5-704 (6) to participate in the ~~loan repayment program~~. Each selected health care professional may receive no more than thirty-five thousand dollars in each of the two or more years in which the health care professional practices in a community under the terms of the contract entered into pursuant to subsection (1) of this section COLORADO HEALTH SERVICE CORPS.

(3) A health care professional participating in the ~~state loan repayment program~~ COLORADO HEALTH SERVICE CORPS shall not practice with a for-profit private group or solo practice or at a proprietary hospital or clinic.

**SECTION 4.** 25-20.5-704 (1), the introductory portions to 25-20.5-704 (2) and (3), and 25-20.5-704 (4), (5), (6), and (7) (b), Colorado Revised Statutes, are amended to read:

**25-20.5-704. Colorado health service corps advisory council - creation - membership - duties - repeal.** (1) There is hereby created in the primary care office the ~~health care community board~~ COLORADO HEALTH SERVICE CORPS ADVISORY COUNCIL to review applications for participation in the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS and make recommendations to the primary care office pursuant to section 25-20.5-703 (2).

(2) The ~~community board~~ ADVISORY COUNCIL shall consist of fifteen members appointed by the governor as provided in this subsection (2) and in subsection (3) of this section. In appointing members of the ~~community board~~ ADVISORY COUNCIL, the governor shall ensure that the ~~community board~~ ADVISORY COUNCIL includes:

(3) On and after July 1, 2009, in addition to the members specified in subsection (2) of this section, the governor shall appoint to the ~~community board~~ ADVISORY COUNCIL at least one representative from each of the following organizations:

(4) (a) Members appointed to the ~~community board~~ ADVISORY COUNCIL shall serve terms of three years; except that:

(I) Of the members initially appointed to the ~~community board~~ ADVISORY COUNCIL pursuant to subsection (2) of this section, the governor shall select three members who shall serve one-year terms and three members who shall serve two-year terms; and

(II) Of the members initially appointed to the ~~community board~~ ADVISORY COUNCIL pursuant to subsection (3) of this section, the governor shall select two members who shall serve one-year terms and two members who shall serve two-year terms.

(b) The governor may appoint the same person to serve as a member of the ~~community board~~ ADVISORY COUNCIL for consecutive terms.

(5) (a) ~~Community board~~ ADVISORY COUNCIL members shall serve without compensation and without reimbursement for expenses.

(b) The primary care office shall provide staff assistance to the ~~community board~~ ADVISORY COUNCIL as necessary for the ~~community board~~ ADVISORY COUNCIL to complete the duties specified in this section.

(6) The ~~community board~~ ADVISORY COUNCIL shall review applications received from health care professionals to participate in the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS. Subject to available appropriations and federal requirements concerning eligibility for federal loan repayment matching funds, the ~~community board~~ ADVISORY COUNCIL shall annually select health care professionals to participate in the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS and shall forward its list of selected participants to the primary care office.

(7) (b) Prior to said repeal, the ~~community board~~ ADVISORY COUNCIL shall be reviewed as provided for in section 2-3-1203, C.R.S.

**SECTION 5.** 25-20.5-705, Colorado Revised Statutes, is amended to read:

**25-20.5-705. Advisory council - report.** (1) On or before December 1, ~~2009~~ 2011, AND ON OR BEFORE DECEMBER 1 EVERY TWO YEARS THEREAFTER, the ~~community board~~ ADVISORY COUNCIL shall submit to the governor and the ~~general assembly~~ HEALTH AND HUMAN SERVICES COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, a report that includes, at a minimum, the following information:

(a) Identification and a summary of successful loan forgiveness programs for health care professionals and best practices in health care professional loan forgiveness programs across the country;

~~(b) A summary of existing loan forgiveness programs for health care professionals in Colorado, including annual information concerning the clients served by the health care professionals participating in the programs, how many health care professionals participated in the programs, and how the programs are structured; and~~ A DESCRIPTION OF THE PROGRAMMATIC GOALS OF THE COLORADO HEALTH SERVICE CORPS, INCLUDING THE PRESENT STATUS OF AND ANY BARRIERS TO MEETING THOSE GOALS;

~~(c) A review of the merits of streamlining or consolidating existing loan forgiveness programs for health care professionals, including a possible mechanism by which private loan forgiveness programs may voluntarily participate with public loan forgiveness programs, and a recommendation either in support of or against streamlining and consolidating these existing loan forgiveness programs. EXISTING EFFORTS AND POTENTIAL FUTURE PROJECTS TO OVERCOME ANY BARRIERS TO MEETING THE PROGRAMMATIC GOALS OF THE COLORADO HEALTH SERVICE CORPS;~~

(d) AN ANALYSIS OF THE IMPACT OF THE COLORADO HEALTH SERVICE CORPS PROGRAM; AND

(e) IF APPLICABLE, RESULTS OF ANY SURVEYS CONDUCTED OF STATE HEALTH PROFESSIONAL INCENTIVE PROGRAMS IN PRIMARY CARE AND ANY RECOMMENDATIONS TO INDIVIDUALLY ENHANCE, IMPROVE COORDINATION AMONG, AND POTENTIALLY CONSOLIDATE EXISTING OR POTENTIAL PROGRAMS TO BETTER ADDRESS COLORADO'S PRIMARY CARE WORKFORCE ISSUES.

(2) If the community board recommends streamlining and consolidating existing loan forgiveness programs for health care professionals, it shall include with the recommendation a proposal for streamlining and consolidating that includes, but need not be limited to, the following items:

(a) Recommendations concerning the statutory and operational rule changes that would be necessary to implement a new program;

~~(b) A sample standard application form;~~

(c) Proposed eligibility criteria for health care professionals and specifications of award amounts;

~~(d) Strategies for recruitment and retention of health care professionals to the new program;~~

(e) Strategies to maximize the amount of federal moneys the state may receive for health care professional loan forgiveness programs;

~~(f) Strategies for pursuing gifts, grants, and donations to be applied to health care professional loan forgiveness programs; and~~

~~(g) Any recommended changes to the membership or governance structure of the community board.~~

**SECTION 6.** The introductory portion to 25-20.5-706 (1) and 25-20.5-706 (1) (a), (1) (e), (2), and (3), Colorado Revised Statutes, are amended to read:

**25-20.5-706. Colorado health service corps fund - created - acceptance of grants and donations.** (1) The COLORADO health ~~care professional loan repayment~~ SERVICE CORPS fund is hereby created in the state treasury, which fund shall consist of:

(a) All moneys appropriated by the general assembly for the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS;

~~(e) Any amounts received pursuant to subsection (3) of this section, and~~

(2) The moneys in the fund, other than any federal moneys credited to the fund, are hereby continuously appropriated to the primary care office for the ~~loan repayment program~~ COLORADO HEALTH SERVICE CORPS. Any moneys in the fund not expended for the purpose of this part 7 may be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund. Any unexpended and unencumbered moneys remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or another fund.

(3) The primary care office is authorized to receive contributions, grants, and services from public and private sources to carry out the purposes of this part 7. ~~Any moneys so received shall be transferred to the state treasurer who shall credit the same to the fund.~~

**SECTION 7.** 2-3-1203 (3) (dd) (VIII), Colorado Revised Statutes, is amended to read:

**2-3-1203. Sunset review of advisory committees.** (3) The following dates are the dates for which the statutory authorization for the designated advisory committees is scheduled for repeal:

(dd) July 1, 2017:

(VIII) The ~~health care community board~~ COLORADO HEALTH SERVICE CORPS ADVISORY COUNCIL created pursuant to section 25-20.5-704, C.R.S.;

**SECTION 8.** 25-4-1415 (4) (a), Colorado Revised Statutes, is amended to read:

**25-4-1415. Cash fund - administration - limitation.** (4) For the 2009-10 fiscal year, the state treasurer shall transfer from the fund:

(a) To the COLORADO health ~~care professional loan repayment~~ SERVICE CORPS fund created in section 25-20.5-706 the amount of one hundred twenty thousand dollars; and

**SECTION 9.** 25-20.5-603 (3), Colorado Revised Statutes, is amended to read:

**25-20.5-603. Primary care office - creation.** (3) The primary care office shall include the ~~health care community board~~ COLORADO HEALTH SERVICE CORPS ADVISORY COUNCIL created in section 25-20.5-704.

**SECTION 10.** 25-20.5-604 (1) (d), Colorado Revised Statutes, is amended to read:

**25-20.5-604. Primary care office - powers and duties.** (1) The primary care office shall have, at a minimum, the following powers and duties:

(d) To administer the ~~state health care professional loan repayment program~~ COLORADO HEALTH SERVICE CORPS pursuant to the provisions of part 7 of this article;

**SECTION 11.** 25-36-101 (10) (b), Colorado Revised Statutes, is amended to read:

**25-36-101. Short-term grants for innovative health programs - grant fund - creation - appropriation from fund - transfer of moneys for fiscal years 2007-08 through 2011-12.** (10) (b) Notwithstanding any other provision of this section, for the 2009-10 fiscal year and for each fiscal year thereafter through the 2011-12 fiscal year, the state treasurer shall transfer from the short-term innovative health program grant fund to the COLORADO health ~~care professional loan repayment~~ SERVICE CORPS fund created in section 25-20.5-706, for purposes of the ~~state health care professional loan repayment program~~ COLORADO HEALTH SERVICE CORPS, the lesser of ninety thousand seventy dollars or six percent of the amount allocated to the short-term innovative health program grant fund for the fiscal year pursuant to section 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the first regular session of the sixty-sixth general assembly.

**SECTION 12. Specified effective date.** This act shall take effect July 1, 2010.

**SECTION 13. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 20, 2010