



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-3778/1
MDK:jld

2017 ASSEMBLY BILL 598

October 27, 2017 - Introduced by Representatives KLEEFISCH, RIEMER, BERNIER, ANDERSON, BERCEAU, BORN, E. BROOKS, R. BROOKS, CONSIDINE, GENRICH, GOYKE, HORLACHER, KOLSTE, KNODL, MURSAU, NOVAK, POPE, SPREITZER, C. TAYLOR and TUSLER, cosponsored by Senators DARLING, BEWLEY, L. TAYLOR and VINEHOUT. Referred to Committee on Colleges and Universities.

1 **AN ACT to amend** 36.60 (1) (ag), 36.60 (3) (a), 36.60 (3) (am), 36.60 (5) (b) (intro.),
2 36.61 (1) (am) and 36.61 (5) (b) (intro.); and **to create** 36.60 (1) (ah), 36.60 (5)
3 (bm) and 36.61 (5) (bm) of the statutes; **relating to:** eligibility for physician,
4 dentist, and health care provider educational loan assistance programs.

Analysis by the Legislative Reference Bureau

This bill makes physicians and dentists who agree to practice in free or charitable clinics eligible to participate in an educational loan assistance program administered by the Board of Regents of the University of Wisconsin System under current law. The bill makes similar changes to an educational loan assistance program for other health care professionals administered by the Board of Regents.

Physicians and dentists. If a physician agrees to practice at least 32 clinic hours per week for three years in a rural area or “eligible practice area,” as defined under current law, the physician is eligible to have some of his or her educational loans repaid. Up to \$100,000 may be repaid for practice in a rural area and up to \$50,000 may be repaid for practice in an eligible practice area. Current law defines an “eligible practice area” as a primary care or mental health shortage area, as determined under federal law, an American Indian reservation, or trust land of an American Indian tribe. Under current law, a dentist is eligible for repayment if he or she agrees to practice at least 32 clinic hours per week for three years in a rural area or dental health shortage area, as determined under federal law. Up to \$50,000 may be repaid for practice in a rural area or dental health shortage area.

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The bill amends the definition of “eligible practice area” so that it also includes a free or charitable clinic. The bill also makes a dentist who practices in a free or charitable clinic eligible for educational loan repayment. As a result, if a physician or dentist agrees to practice at least 32 clinic hours per week for three years in a free or charitable clinic, the physician or dentist is eligible to have up to \$50,000 of his or her educational loans repaid. The bill defines “free or charitable clinic” as a safety-net health care organization that uses volunteers and staff to serve economically disadvantaged individuals who are uninsured, underinsured, or have limited or no health care access. In addition, the organization must be exempt from federal taxation or operate as a program component or affiliate of an organization exempt from federal taxation. The organization must also provide services without regard to a patient’s ability to pay and charge either no fee or a nominal or sliding fee for services.

Current law requires physicians and dentists who participate in the educational loan assistance program to agree to care for patients who are insured or receive health care benefits under governmental programs. The bill also requires physicians and dentists to agree to care for patients who are uninsured or underinsured. Current law also requires the Board of Regents to establish priorities for repayments based on specified considerations if funding is not available to make repayments to all applicants. Under the bill, if the Board of Regents determines that a consideration does not apply to applicants who desire to practice in free or charitable clinics, the Board of Regents must ensure that the priorities do not disadvantage those applicants.

Other health care providers. Under current law, the following health care providers are eligible to have up to \$25,000 of their educational loans repaid if they agree to practice at least 32 clinic hours per week for three years in a rural area or eligible practice area: physician assistants, nurse-midwives, and nurse practitioners. Dental hygienists are eligible for the same repayment if they agree to practice at least 32 clinical hours per week for three years in a rural area or dental health shortage area. Like physicians, the bill includes free or charitable clinics, as defined above, in the definition of “eligible practice area.” The bill also includes a mental health shortage area, as determined under federal law, in the definition of “eligible practice area.” Unlike the program for physicians under current law, the program for other health care providers under current law does not include mental health shortage areas. As a result, in addition to eligibility under current law, any of the foregoing health care professionals, except dental hygienists, is eligible for educational loan repayment if he or she agrees to practice in a free or charitable clinic or a mental health shortage area for the required time. In addition to eligibility under current law, dental hygienists are eligible if they agree to practice in a free or charitable clinic for the required time.

Like the program for physicians and dentists, current law requires the Board of Regents to establish priorities for repayments based on specified considerations if funding is not available to make repayments to all applicants. Under the bill, if the Board of Regents determines that a consideration does not apply to applicants

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who desire to practice in free or charitable clinics, the Board of Regents must develop a mechanism to fairly assess all applicants under the priorities.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 36.60 (1) (ag) of the statutes is amended to read:

2 36.60 (1) (ag) “Eligible practice area” means a free or charitable clinic, a
3 primary care shortage area, a mental health shortage area, an American Indian
4 reservation or trust lands of an American Indian tribe.

5 **SECTION 2.** 36.60 (1) (ah) of the statutes is created to read:

6 36.60 (1) (ah) “Free or charitable clinic” means a safety-net health care
7 organization that satisfies all of the following:

8 1. The organization uses volunteers and staff to provide a range of medical,
9 dental, pharmacy, vision, or behavioral health services to economically
10 disadvantaged individuals who are uninsured, underinsured, or have limited or no
11 access to primary, specialty, or prescription health care.

12 2. The organization is exempt from taxation under section 501 (c) of the
13 Internal Revenue Code or operates as a program component or affiliate of such an
14 organization.

15 3. The organization provides services without regard to a patient’s ability to
16 pay.

17 4. The organization charges patients no fee for services or charges a nominal
18 or sliding fee.

19 **SECTION 3.** 36.60 (3) (a) of the statutes is amended to read:

ASSEMBLY BILL 598**SECTION 3**

1 36.60 (3) (a) The board shall enter into a written agreement with the physician,
2 in which the physician agrees to practice at least 32 clinic hours per week for 3 years
3 in one or more eligible practice areas in this state or in a rural area, except that a
4 physician specializing in psychiatry may only agree to practice psychiatry in a
5 mental health shortage area or in a rural area and a physician in the expanded loan
6 assistance program under sub. (9) may only agree to practice at a public or private
7 nonprofit entity in a health professional shortage area. The physician shall also
8 agree to care for patients who are insured, underinsured, or uninsured or for whom
9 health benefits are payable under medicare, medical assistance, or any other
10 governmental program.

11 **SECTION 4.** 36.60 (3) (am) of the statutes is amended to read:

12 36.60 (3) (am) The board shall enter into a written agreement with the dentist,
13 in which the dentist agrees to practice at least 32 clinic hours per week for 3 years
14 in one or more dental health shortage areas in this state, in a free or charitable clinic,
15 or in a rural area. The dentist shall also agree to care for patients who are insured,
16 underinsured, or uninsured or for whom dental health benefits are payable under
17 medicare, medical assistance, or any other governmental program.

18 **SECTION 5.** 36.60 (5) (b) (intro.) of the statutes is amended to read:

19 36.60 (5) (b) (intro.) If the cost of repaying the loans of all eligible applicants,
20 when added to the cost of loan repayments scheduled under existing agreements,
21 exceeds the total amount of funds transferred to the board under s. 20.505 (8) (hm)
22 6r., the contributions received and penalties assessed by the board, and the
23 appropriation under s. 20.285 (1) (qj), then, subject to par. (bm), the board shall
24 establish priorities among the eligible applicants based upon the following
25 considerations:

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1 **SECTION 6.** 36.60 (5) (bm) of the statutes is created to read:

2 36.60 (5) (bm) If the board determines that a consideration under par. (b) does
3 not apply to eligible applicants who desire to practice in free or charitable clinics, the
4 board shall develop a mechanism to fairly assess all applicants under the priorities
5 established under par. (b).

6 **SECTION 7.** 36.61 (1) (am) of the statutes is amended to read:

7 36.61 (1) (am) “Eligible practice area” ~~means a primary care shortage area, an~~
8 ~~American Indian reservation, or trust lands of an American Indian tribe~~ has the
9 meaning given in s. 36.60 (1) (ag), except that with respect to a dental hygienist
10 “eligible practice area” means a dental health shortage area or a free or charitable
11 clinic.

12 **SECTION 8.** 36.61 (5) (b) (intro.) of the statutes is amended to read:

13 36.61 (5) (b) (intro.) If the cost of repaying the loans of all eligible applicants,
14 when added to the cost of loan repayments scheduled under existing agreements,
15 exceeds the total amount of funds transferred to the board under s. 20.505 (8) (hm)
16 6r., the contributions received and penalties assessed by the board, and the
17 appropriation under s. 20.285 (1) (qj), then, subject to par. (bm), the board shall
18 establish priorities among the eligible applicants based upon the following
19 considerations:

20 **SECTION 9.** 36.61 (5) (bm) of the statutes is created to read:

21 36.61 (5) (bm) If the board determines that a consideration under par. (b) does
22 not apply to eligible applicants who desire to practice in free or charitable clinics, the
23 board shall develop a mechanism to fairly assess all applicants under the priorities
24 established under par. (b).

25

(END)