**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 8 TO CHAPTER 111, TITLE 59 TO ENACT THE “SOUTH CAROLINA RURAL PRIMARY CARE PHYSICIAN LOAN REPAYMENT PROGRAM” SO AS TO CREATE A LOAN REPAYMENT PROGRAM FOR LICENSED PRIMARY CARE PHYSICIANS WHO PRACTICE IN RURAL AREAS WITHIN THE STATE, TO PROVIDE FOR A PROGRAM ADVISORY BOARD, TO PROVIDE CRITERIA BY WHICH PHYSICIANS MAY BE SELECTED, TO PROVIDE PENALTIES FOR NONCOMPLIANCE WITH THE PROGRAM, TO PROVIDE FOR THE APPROPRIATION OF FUNDS FOR THE PROGRAM, AND TO DEFINE CERTAIN TERMS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 111, Title 59 of the 1976 Code is amended by adding:

“Article 8

South Carolina Rural Primary Care Physician Loan Repayment Program

Section 59‑111‑600. This act may be cited as the ‘South Carolina Rural Primary Care Physician Loan Repayment Program’.

Section 59‑111‑610. There is established within the Commission on Higher Education the South Carolina Rural Primary Care Physician Loan Repayment Program to reimburse student loan payments of a physician licensed or certified to practice in this State, who has completed a residency or fellowship training program in primary care medicine accredited by the Accreditation Council for Graduate Medical Education, is accepted into the program, and who contracts with the commission as provided in Section 59‑111‑640 of this article. The commission shall prescribe the form of applications and the procedures for reimbursement and may require information and documentation it determines appropriate for applications and reimbursements.

Section 59‑111‑620. As used in this section:

(1) ‘Primary care physician’ means a generalist physician who provides definitive care to the undifferentiated patient at the point of first contact and takes continuing responsibility for providing the patient’s care.

(2) ‘Rural area’ means an area of the State identified as determined by the Office of Rural Health Policy, United States Department of Health and Human Services.

(3) ‘Student loan payment’ means a payment issued to defray the amount owed on a loan used to assist a student in the payment of costs of graduate level education.

Section 59‑111‑630. (A) To assist the commission in selecting program participants, there is established the Primary Care Physician Advisory Board to review applicants for the repayment reimbursement program. The board consists of five members appointed by the commission:

(1) a representative of the South Carolina Medical Association;

(2) a representative of the South Carolina Commission on Higher Education;

(3) a representative of the University of South Carolina School of Medicine;

(4) a representative of the Medical University of South Carolina; and

(5) a licensed, practicing primary care physician.

(B) Board members serve at the pleasure of the commission and without compensation, but may receive mileage, subsistence, and per diem allowed by law for members of boards, committees, and commissions, to be paid from approved accounts of the commission.

(C) The board shall meet as necessary to review program applications and, from among those applications, recommend program candidates to the division. A physician who has not been recommended by the board may not participate in the program. In considering applications, the board shall consider demonstrable need and make every effort to select those who intend to continue to practice in South Carolina rural communities upon completion of the program. In order of priority in considering applications for the program, the board shall consider first South Carolina natives who have completed residency or fellowship programs in this State, then out‑of‑state applicants completing residency or fellowship programs in this State, then South Carolina natives completing out‑of‑state residency or fellowship programs, and finally out‑of‑state applicants completing out‑of‑state residency or fellowship programs.

Section 59‑111‑640. A physician who is accepted for the program shall execute a contract with the division in which the physician agrees:

(1) to practice in a rural area within this State as defined by this article for no fewer than five consecutive years immediately following completion of his residency or fellowship program;

(2) to accept Medicare or Medicaid patients;

(3) to accept reimbursement or contractual binding rates; and

(4) not to discriminate against patients based on the ability to pay.

Section 59‑111‑650. Upon execution of the contract, the commission shall reimburse student loan payments made by the physician during the last completed calendar quarter. No more than four physicians a year may participate in the program, unless sufficient funding is available to reimburse, in accordance with this section, more than four physicians a year. The total amount that may be reimbursed to one physician is thirty‑five thousand dollars multiplied by the number of years of the residency or fellowship completed, prorated for periods less than one year.

Section 59‑111‑660. If the commission determines that the physician is not in compliance with the contract, it shall refer the matter to the Primary Care Physicians Advisory Board, which shall recommend an appropriate penalty which may be imposed by the commission for noncompliance. The penalty may not exceed three times the total of reimbursement received plus interest at the prime rate plus ten percent calculated from the date noncompliance was determined.

Section 59‑111‑670. The General Assembly, in the annual general appropriations act, shall appropriate funds necessary for the operation of the South Carolina Rural Primary Care Physician Loan Repayment Program.”

SECTION 2. This act takes effect upon approval by the Governor.

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