

ASSEMBLY BILL NO. 358—ASSEMBLYMEN HAFEN,
KRAMER, LEAVITT, TITUS; HARDY, KRASNER AND TOLLES

MARCH 20, 2019

JOINT SPONSOR: SENATOR HAMMOND

Referred to Committee on Education

SUMMARY—Makes certain changes to attract certain health professionals to practice in Nevada. (BDR 34-851)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to health care; creating the Tomorrow's Doctors Program; authorizing the Nevada Office of Rural Health within the University of Nevada School of Medicine to enter into education loan repayment assistance contracts with certain practitioners; establishing the Nevada Office of Rural Health within the Office of Statewide Initiatives of the University of Nevada School of Medicine; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 2-12 of this bill establish the Tomorrow's Doctors Program. **Section 8** of this bill creates the Program for the purpose of providing education loan repayment assistance to certain practitioners. **Section 8** requires the Nevada Office of Rural Health within the University of Nevada School of Medicine to administer the Program. **Section 8** authorizes the Office, in administering the Program, to work with: (1) the Office of the Western Regional Education Compact; and (2) any other relevant federal, state and local governmental agencies, bodies and officials. **Section 9** of this bill authorizes the Nevada Office of Rural Health to enter into education loan repayment assistance contracts with certain practitioners if: (1) the practitioner agrees to practice in a rural county that is medically underserved for at least 5 years, the practitioner locates to or continues to practice in such a rural county and, if the practitioner practices in a rural hospital, the practitioner has a written commitment from a rural hospital that the rural hospital will provide education loan repayment assistance to the practitioner; (2) the practitioner



practices in a rural hospital, the education loan repayment assistance provided by the Office through the Program does not exceed any such assistance provided by the rural hospital; and (3) certain other requirements are satisfied. **Section 10** of this bill requires the Office to adopt regulations governing the administration of the Program. **Section 11** of this bill authorizes the Office to accept gifts, grants, bequests and donations to fund the Program in addition to any direct legislative appropriation. **Section 12** of this bill requires the Office to submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report concerning the Program.

Existing law establishes the Nevada Office of Rural Health within the University of Nevada School of Medicine. (NRS 396.906) **Section 12.7** of this bill establishes the Nevada Office of Rural Health within the Office of Statewide Initiatives of the University of Nevada School of Medicine. **Sections 12.3 and 16.5** of this bill make conforming changes.

Section 13 of this bill makes an appropriation to the Nevada Office of Rural Health for allocation to the Program for the purpose of entering into education loan repayment assistance contracts with certain practitioners.

Federal law creates the National Health Service Corps Loan Repayment Program. (42 U.S.C. § 2541-1) Federal law authorizes the Secretary of Health and Human Services to make grants to states for the purpose of assisting the states in operating loan repayment programs for the loans of health professionals who provide primary health services in health professional shortage areas. Such grants may not be made to a state unless the state agrees that it will match the federal grants received for such loan repayment programs. (42 U.S.C. § 254q-1) Existing law provides that the University of Nevada School of Medicine may authorize the Nevada Health Service Corps to administer a program under which money for loans is repaid on behalf of a practitioner for each year that he or she practices in an area of Nevada in which a shortage of that type of practitioner exists. (NRS 396.903) **Section 14** of this bill makes an appropriation to the Office of Finance for allocation to the Nevada Health Service Corps to obtain matching federal funds.

Section 15 of this bill makes an appropriation to the Office of Finance for the purpose of funding Graduate Medical Education Grants.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this act.

Sec. 2. *As used in sections 2 to 12, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Education loan repayment assistance” means assistance provided to a practitioner whereby the Office and, if the practitioner practices in a rural hospital, a rural hospital, provide money pursuant to sections 2 to 12, inclusive, of this act to the practitioner for the repayment of the education loans of the practitioner that were accrued by the practitioner while attending a college or university in this State.*



1 **Sec. 4. "Office" means the Nevada Office of Rural Health**
2 **established pursuant to NRS 396.906.**

3 **Sec. 5. "Practitioner" means a physician licensed under**
4 **chapter 630, 630A or 633 of NRS, dentist, licensed nurse,**
5 **dispensing optician, optometrist, registered physical therapist,**
6 **podiatric physician, licensed psychologist, medical laboratory**
7 **director or technician, pharmacist, person licensed to engage in**
8 **social work pursuant to chapter 641B of NRS, marriage and**
9 **family therapist, clinical professional counselor or other person**
10 **whose principal occupation is the provision of services for health.**

11 **Sec. 6. "Program" means the Tomorrow's Doctors Program**
12 **created by section 8 of this act.**

13 **Sec. 6.5. "Rural county" means a county in this State whose**
14 **population is less than 100,000.**

15 **Sec. 7. "Rural hospital" means a hospital located within a**
16 **rural county that is medically underserved.**

17 **Sec. 8. 1. The Tomorrow's Doctors Program is hereby**
18 **created for the purpose of providing, within funding appropriated**
19 **by the Legislature or accepted by the Office pursuant to section 11**
20 **of this act for this purpose, education loan repayment assistance to**
21 **practitioners pursuant to section 9 of this act.**

22 **2. The Office shall administer the Program. In administering**
23 **the Program, the Office may work with:**

24 **(a) The Office of the Western Regional Education Compact;**
25 **and**

26 **(b) Any other relevant federal, state and local governmental**
27 **agencies, bodies and officials.**

28 **Sec. 9. In addition to any money received by the practitioner**
29 **for the repayment of loans pursuant to NRS 396.903, the Office**
30 **may enter into an education loan repayment assistance contract**
31 **with a practitioner if the following conditions are met:**

32 **1. The practitioner:**

33 **(a) Agrees to practice in a rural county that is medically**
34 **underserved for at least 5 years;**

35 **(b) Locates to or continues to practice in such a rural county;**
36 **and**

37 **(c) If the practitioner practices in a rural hospital, has a**
38 **written commitment from the rural hospital that the rural hospital**
39 **will provide education loan repayment assistance to the**
40 **practitioner;**

41 **2. If the practitioner practices in a rural hospital, the**
42 **education loan repayment assistance provided by the Program**
43 **does not exceed the education loan repayment assistance provided**
44 **by the rural hospital; and**



3. The practitioner is otherwise eligible for education loan repayment assistance pursuant to any regulations adopted by the Office pursuant to section 10 of this act.

Sec. 10. The Office shall adopt regulations governing the administration of the Program, including, without limitation, regulations that prescribe:

1. How a practitioner may apply to participate in the Program;

2. Procedures and standards for determining the eligibility of a practitioner for education loan repayment assistance;

3. If a practitioner practices in a rural hospital, the procedure for verifying the amount provided by the rural hospital to the practitioner for education loan repayment assistance;

4. Any conditions that a practitioner must comply with to participate in the Program;

5. The methodology by which the Office will calculate the amount of education loan repayment assistance to be provided to a practitioner;

6. Penalties for a practitioner's failure to comply with any conditions or other terms of an education loan repayment assistance contract; and

7. Criteria for modifying or waiving conditions or penalties for good cause shown by the practitioner or in a case where a practitioner has shown extreme hardship.

Sec. 11. In addition to any direct legislative appropriation from the State General Fund, the Office may accept gifts, grants, bequests and donations to fund the Program.

Sec. 12. On or before February 1 of each odd-numbered year, the Office shall submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report on the Program which must include, without limitation, information regarding:

1. The number of practitioners who received education loan repayment assistance; and

2. The revenues and expenditures of the Program.

Sec. 12.3. NRS 396.903 is hereby amended to read as follows:

396.903 1. The University of Nevada School of Medicine may authorize the Nevada Health Service Corps to administer a program under which money for loans is repaid on behalf of a practitioner for each year he or she practices in an area of Nevada in which a shortage of that type of practitioner exists, as determined by the Nevada Office of Rural Health within the *Office of Statewide Initiatives of the* University of Nevada School of Medicine and the Nevada Health Service Corps.



2. To qualify for the program, a practitioner required to be licensed pursuant to the provisions of chapter 630, 630A, 633 or 634 of NRS must have completed his or her primary care residency and hold an active license issued pursuant to chapter 630, 630A, 633 or 634 of NRS. All other practitioners must have completed training in a certified program and have an active license, certification or registration from the State of Nevada.

Sec. 12.7. NRS 396.906 is hereby amended to read as follows:

396.906 1. The Nevada Office of Rural Health is hereby established within the *Office of Statewide Initiatives of the* University of Nevada School of Medicine to administer matters relating to the delivery of health care services to rural and frontier areas in this state. The Nevada Office of Rural Health shall:

(a) Evaluate the need for programs concerning the delivery of health care services to rural and frontier areas in this state and make recommendations to the University of Nevada School of Medicine and the Legislature to carry out such programs; and

(b) Establish, administer and coordinate programs which affect the delivery of health care services to rural and frontier areas in this state, including, without limitation, programs relating to:

(1) The education and training of providers of health care who provide services in rural and frontier areas;

(2) The needs of rural and frontier areas for health care services and the manner in which such health care services may be effectively delivered;

(3) The delivery of health care services to rural and frontier areas;

(4) The financing of the delivery of health care services to rural and frontier areas; or

(5) The collection of data necessary for the Nevada Office of Rural Health to carry out its duties concerning the delivery of health care services to rural and frontier areas.

2. Any gift, donation, bequest, grant or other source of money received by the Nevada Office of Rural Health may be used to carry out the provisions of this section.

Sec. 13. 1. There is hereby appropriated from the State General Fund to the Nevada Office of Rural Health within the Office of Statewide Initiatives of the University of Nevada School of Medicine the sum of \$250,000 for allocation to the Tomorrow's Doctors Program created pursuant to section 8 of this act for the purpose of entering into education loan repayment assistance contracts with practitioners pursuant to section 9 of this act.

2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity



1 to which money from the appropriation is granted or otherwise
2 transferred in any manner, and any portion of the appropriated
3 money remaining must not be spent for any purpose after
4 September 17, 2021, by either the entity to which the money was
5 appropriated or the entity to which the money was subsequently
6 granted or transferred, and must be reverted to the State General
7 Fund on or before September 17, 2021.

8 **Sec. 14.** 1. There is hereby appropriated from the State
9 General Fund to the Office of Finance the sum of \$250,000 for
10 allocation to the Nevada Health Service Corps created pursuant to
11 NRS 396.900 for the purpose of obtaining matching federal funds.

12 2. Any remaining balance of the appropriation made by
13 subsection 1 must not be committed for expenditure after June 30,
14 2021, by the entity to which the appropriation is made or any entity
15 to which money from the appropriation is granted or otherwise
16 transferred in any manner, and any portion of the appropriated
17 money remaining must not be spent for any purpose after
18 September 17, 2021, by either the entity to which the money was
19 appropriated or the entity to which the money was subsequently
20 granted or transferred, and must be reverted to the State General
21 Fund on or before September 17, 2021.

22 **Sec. 15.** 1. There is hereby appropriated from the State
23 General Fund to the Office of Finance for the purpose of funding
24 Graduate Medical Education Grants the following sums:

25 For the Fiscal Year 2019-2020..... \$10,500,000

26 For the Fiscal Year 2020-2021..... \$10,500,000

27 2. Any remaining balance of the appropriation made by
28 subsection 1 must not be committed for expenditure after June 30,
29 2021, by the entity to which the appropriation is made or any entity
30 to which money from the appropriation is granted or otherwise
31 transferred in any manner, and any portion of the appropriated
32 money remaining must not be spent for any purpose after
33 September 18, 2020, and September 17, 2021, respectively, by
34 either the entity to which the money was appropriated or the entity
35 to which the money was subsequently granted or transferred, and
36 must be reverted to the State General Fund on or before
37 September 18, 2020, and September 17, 2021, respectively.

38 **Sec. 16.** The provisions of subsection 1 of NRS 218D.380 do
39 not apply to any provision of this act which adds or revises a
40 requirement to submit a report to the Legislature.

41 **Sec. 16.5.** The Legislative Counsel shall, in preparing
42 supplements to the Nevada Administrative Code, appropriately
43 change any references to an officer, agency or other entity whose
44 name is changed or whose responsibilities are transferred pursuant



1 to the provisions of this act to refer to the appropriate officer,
2 agency or other entity.
3 **Sec. 17.** This act becomes effective upon passage and
4 approval.

