

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1553

H.P. 1121

House of Representatives, May 8, 1989

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative CLARK of Brunswick.

Cosponsored by Senator GAUVREAU of Androscoggin and Representative PENDLETON of Scarborough.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Respond to the Shortage of Family Nurse Practitioners and Physician Assistants by Making Funds Available for a Loan Forgiveness Program.



1 Be it enacted by the People of the State of Maine as follows:

3 Sec. 1. 20-A MRSA c. 422 is enacted to read:

5 CHAPTER 422

7 NURSE PRACTITIONERS AND PHYSICIAN

9 ASSISTANTS LOAN FORGIVENESS PROGRAMS

11 §11901. Definitions

13 As used in this chapter, unless the context otherwise
15 indicates, the following terms have the following meanings.

17 1. Underserved area. "Underserved area" means an
19 underserved geographic area, underserved specialty area,
21 underserved population group or any combination of these in the
23 State.

25 §11902. Loan program

27 There is established a loan program to enable Maine
29 residents to receive loans to train as nurse practitioners and
31 physician assistants. Recipients who complete their education
33 and who practice in the State in underserved areas shall be
35 eligible for forgiveness of indebtedness. The program shall be
37 administered by the Commissioner of Educational and Cultural
39 Services.

41 1. Allocation of funds. Interest-free loans of up to
43 \$5,000 per year, and up to \$10,000 total, may be made to eligible
45 individuals.

47 2. Limit on disbursements. Each year, 5 students shall be
49 eligible to receive loans. Loans shall be automatically renewed
51 if the student successfully completes the first year of the
education program.

3. Eligibility requirements. Loans shall be given to state
residents who have been accepted into nurse practitioner or
physician assistant programs, and who have demonstrated financial
need according to criteria established by the commissioner.

4. Contractual agreement. The agreement shall contain the
following.

A. As a condition precedent to receiving the loan, the
recipient must enter into an agreement with the State under
which the student shall agree that on the conclusion of the
student's professional education, the student shall repay

1 the entire amount of the loan to the State, or enter a
2 forgiveness of indebtedness program.

3
4 B. The agreement shall provide that \$5,000 of the
5 indebtedness shall be forgiven for each year in which a loan
6 recipient practices the recipient's profession within the
7 State in an underserved area.

9 **§11903. Loan forgiveness program**

11 There is established a loan forgiveness program for
12 individuals who have successfully completed a nurse practitioner
13 or physician assistant program and who are willing to serve in
14 underserved areas in the State. The program shall be
15 administered by the Commissioner of Educational and Cultural
16 Services.

17
18 1. Contractual agreement. Participants in the loan
19 forgiveness program shall enter into an agreement with the State
20 under which the participant shall agree to practice the
21 participant's profession in an underserved area in the State.
22 The agreement shall provide that \$5,000 of the participant's
23 indebtedness under section 11902 or subsection 2 shall be
24 forgiven for each year in which the participant practices in an
25 underserved area in the State, for up to 2 years.

27 2. Eligibility criteria. Individuals who have completed,
28 or who are within 6 months of completing, their nurse
29 practitioner or physician assistant training, who have taken out
30 private or guaranteed student loans to pay for their training,
31 and who indicate a willingness to locate to the State to practice
32 their profession are eligible to apply. Applicants need not be
33 residents of the State.

35 3. Selection process. The commissioner shall select 5
36 individuals per year for participation in the program. Those who
37 are selected shall automatically be eligible for loan forgiveness
38 for a 2nd year provided they satisfactorily complete one year of
39 employment in an underserved area, as approved by the
40 commissioner.

41 Selections shall be made according to definitions, procedures and
42 criteria established by the commissioner. The rules shall
43 establish a ranking process to determine the highest priority
44 underserved specialties, populations and geographic sites. The
45 selection process will utilize health and economic status
46 indicators and access to health care providers to determine the
47 greatest need and shall select applicants willing to serve in
48 those areas.

