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RETENTION EDUCATION DEBT REPAYMENT PROGRAM

CHAPTER 52
THE PHYSICIAN RECRUITMENT AND
RETENTION EDUCATION DEBT REPAYMENT PROGRAM

SOURCE: Added as Chapter 51 by P.L. 31-137:1 (Nov. 17, 2011). Pursuant to the authority granted by 1 GCA § 1606, this chapter was recodified as Chapter 52, as Chapter 51 was occupied.

- § 52101. Establishment and Short Title.
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- § 52108. Disqualification.
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§ 52101. Establishment and Short Title.

There is hereby established the Physician Recruitment and Retention Education Debt Repayment Program, which shall be known and may be cited as the Physician Recruitment and Retention Act, or “PRR Act”.

§ 52102. Purpose and Intent.

The purpose of this Act is to improve patient accessibility to healthcare providers through the retention and recruitment of physicians by encouraging eligible health care professionals to serve in shortage areas by providing financial support in the form of loan repayments if the participant serves on Guam.

I Liheslaturan Guåhan finds that there is a significant shortage of physician specialists around the world, and especially on Guam. Access to medical specialists on the island is very limited, and must be addressed. *I Liheslatura* recognizes that the recruitment of medical specialists is hampered by the pay given to physicians. *I Liheslatura* further recognizes that given the government of Guam’s current economic shortfall, the government cannot afford to pay close to the national average of medical specialists. The American College of Emergency Physicians reports that physician incomes are higher than

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most occupations in order to allow for the repayment of high levels of debt.

It is the intent of *I Liheslatura* to offer other incentives that will attract residents and former residents of Guam, who have left the island to pursue a medical degree, to come back home and serve our community. One incentive is to offer a medical school debt repayment program. *I Liheslatura* finds that there has been a steady increase, climbing six percent (6%) annually, in school tuition and expenses for medical students that have resulted in high levels of graduating student indebtedness which leads medical students to find high paying medical jobs that will assist in the repayment of their educational loans. It is the intent of *I Liheslatura* to offer a medical school debt repayment program for residents and former residents of Guam who are willing to practice on Guam.

§ 52103. Definitions.

The following words, as used in this Chapter, shall have the following meanings:

(a) Board means the Board of Regents of the University of Guam.

(b) Committee means the Physician Recruitment and Retention Evaluation Committee.

(c) Credentialed health care profession means a health care profession regulated by the Guam Board of Medical Examiners.

(d) Credentialed health care professional means a person regulated by the Guam Board of Medical Examiners to practice a health care profession.

(e) Eligible expenses means reasonable expenses associated with the costs of acquiring a medical education, such as tuition, books, equipment, fees, room and board, and other expenses approved by the Board.

(f) Health care facility means any government health care facility, to include the Guam Memorial Hospital Authority, the Department of Public Health and Social Services, and the Guam Behavioral Health and Wellness Center.

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(g) Health professional shortage areas means those areas where credentialed health care professionals are in short supply in specialty health care areas as determined by the Physician Specialty Priority Listing established in § 52106 of this Chapter.

(h) Participant means a credentialed health care professional who has received a loan repayment award, and has commenced practice as a credentialed health care provider in Guam.

(i) Program or PRR Program means the Physician Recruitment and Retention Education Debt Repayment Program.

(j) Service obligation means the obligation by the participant to provide health care services in a health professional shortage area for a period pursuant to § 52107 of this Chapter.

2013 NOTE: Pursuant to P.L. 32-024:2 (May 6, 2013) which renamed the Department of Mental Health and Substance Abuse (DMHSA) to the Guam Behavioral Health and Wellness Center, all references to DMHSA were altered to the Guam Behavioral Health and Wellness Center.

§ 52104. Administration.

The provisions of this Chapter shall be administered by the Board of Regents of the University of Guam, with the assistance of the University of Guam Financial Aid Office. The Board shall promulgate rules and regulations pursuant to and not inconsistent with the provisions of this Chapter, subject to the provisions of the Administrative Adjudication Law. In promulgating rules, and for the administration of the Program, the Board shall:

(a) develop guidelines for the administration of the Program, with the inclusion of an appeals process for applicants;

(b) collect and manage repayments from participants who do not meet their service obligations;

(c) develop criteria for a contract obligating recipients to a service obligation or repayment where appropriate;

(d) publicize the Program to maximize participation among individuals in shortage areas and among populations expected to experience the greatest growth in the work force;

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(e) solicit and accept grants and donations from public and private sources for the Program; and

(f) submit an annual report to *I Liheslaturan Guåhan* no later than ninety (90) days after the end of each fiscal year, to include the number of PRR Program applicants and recipients, names of the recipients, amounts awarded, names of medical schools from which the recipients graduated, names of applicants that appeal (if any), the determination of the Committee in appealed applications, list of specialties of recipients, beginning and ending Physician Education Debt Repayment Fund balances, and administrative costs.

§ 52105. PRR Evaluation Committee.

There shall be established a Physician Recruitment and Retention Evaluation Committee that shall annually review applications and conduct applicant interviews for the purpose of selecting credentialed and eligible health care professionals to participate in the Program. The passing of such interviews and a careful evaluation of the government service award and application packets of the candidates shall be considered in the selection of the scholarship recipients. The Committee shall report to the Board and shall provide the Board its recommendations. The Board shall have final approval of the recommendations of the Committee and may prescribe additional qualifications for admission to the PRR program.

The Committee shall be composed of the following:

(a) the Director of the Department of Public Health and Social Services;

(b) the Director of the Guam Behavioral Health and Wellness Center;

(c) the Administrator of the Guam Memorial Hospital Authority;

(d) a medical doctor selected by the Guam Memorial Hospital Authority Board; and

(e) a member selected from the community-at-large by the Committee.

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2013 NOTE: Pursuant to P.L. 32-024:2 (May 6, 2013) which renamed the Department of Mental Health and Substance Abuse (DMHSA) to the Guam Behavioral Health and Wellness Center, all references to DMHSA were altered to the Guam Behavioral Health and Wellness Center.

§ 52106. Program and Eligibility.

(a) There is established medical debt repayment awards for eligible participants selected under the Physician Recruitment and Retention Education Debt Repayment Program. Prior to the initial consideration of applications for the awards, the Board, in conjunction with the Committee, shall determine health professional shortage areas by establishing a Physician Specialty Priority Listing based on the greatest medical need of the community, with the Board having final approval. The list shall be updated every two (2) years, and shall be posted on the websites of the Department of Public Health and Social Services, the Guam Behavioral Health and Wellness Center, the Guam Memorial Hospital Authority, and the University of Guam. The Committee shall provide a written report and analysis on the basis of each Physician Specialty Priority Listing recommended to the Board, and shall post said report and analysis with the Physician Specialty Priority Listing. The awards provided in this Chapter are subject to the following limitations:

(1) the applicant must be an eligible credentialed health professional, and must have a degree in a health care program, and have completed an approved graduate training program, and have a current and valid license to practice such health profession in Guam by the time of execution of contract; and

(2) the applicant must not owe any form of service obligation for health professional service to the federal government, any state, or other entity unless that obligation will be completely satisfied prior to the beginning of service under this Program. If the applicant has been awarded funds under Chapter 15 of Title 17, Guam Code Annotated, for the individual's approved graduate training program, the individual shall not be eligible until he or she fulfills his or her service obligations required under Chapter 15 of Title 17, GCA.

(b) The Committee shall select participants of the awards based upon criteria that shall include, but not be limited to, the following:

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(1) Applicant training. The individual's training is in a health profession or specialty needed to fulfill a health professional shortage area.

(2) Applicant qualifications. The individual's academic standing, prior professional experience in a medically underserved area or health personnel shortage area, board certification, residency achievements, peer recommendations, depth of past residency practice experience, and other criteria related to professional competence or conduct.

(3) Applicant service commitment.

(A) The individual's commitment to serve in Guam;

(B) the availability of the individual for service, with highest consideration being given to individuals who will be available for service at the earliest dates; and

(C) the length of the individual's proposed service obligation to be contracted, with greatest consideration being given to persons who agree to serve for longer periods of time.

(4) Applicant residency. First priority shall be given to individuals who have resided on Guam for a period of not less than ten (10) consecutive years in such individual's life time. Should no applicants meet the residency requirement, the Board may grant an award to applicants who do not meet the residency requirement as required within this Subsection, subject to meeting all other requirements under this Chapter. Proof of residency shall be determined through providing the Committee and the Board any two (2) of the following that would constitute ten (10) consecutive years of Guam residency:

(A) Copies of filed income tax returns of the applicant or copies of the applicant's parent(s) income tax returns in which the applicant was claimed as a dependent that were filed with the Department of Revenue and Taxation for a period of ten (10) consecutive years;

(B) Certification from the Director of Revenue and Taxation of the applicant's income tax returns filed for a period of ten (10) consecutive years;

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(C) Certified statement from the Guam Election Commission on voter registration for five (5) general elections;

(D) Statement of mortgage on principal residence from a financial institution over a consecutive ten (10) year period; or

(E) Official school transcripts from schools attended on Guam for a period not less than five (5) years.

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§ 52107. Program Benefits and Service Obligation.

(a) Benefits. Participants accepted into the Program shall receive up to Two Hundred Thousand Dollars (\$200,000) to pay for eligible expenses and loan indebtedness incurred in medical education and training.

(b) Service Obligation. Physicians receiving debt repayment assistance shall enter into a contract with the Board verifying the physician's understanding of the obligation to serve pursuant to this Subsection, or repay the Program according to the terms of the signed contract. The term of the contract shall not be less than two (2) years, and not be more than eight (8) years. Participants shall receive an annual payment from the Program in the amount of Twenty-Five Thousand Dollars (\$25,000) only for the purpose of repaying educational loans secured while attending a program of health professional training which led to credentialing as a health professional, and for no other purposes. The contract shall automatically expire once the recipient ceases to have any student loan debt. The contract shall include, but not be limited to, the following terms and conditions:

(1) The physician shall agree to actively practice in Guam within three (3) months immediately following acceptance to the Program, unless extended by the Board for extenuating circumstances.

(2) The physician shall agree to actively practice in Guam for a term of not less than two (2) years, and not more than eight (8) years in the Program, with the amount of Twenty-Five Thousand

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Dollars (\$25,000) to be paid to the recipient for each year under contract.

(3) The physician shall agree to work a minimum of twenty (20) hours a month pro bono, while in the program, at a Department of Public Health and Social Services clinic to service those patients that do not have the ability to pay, and patients under the Medically Indigent Program.

(4) The physician shall permit the Board to monitor compliance with the service requirement in order to verify the terms of the agreement have been met for each payment period.

(5) If the physician's license to practice is suspended or revoked, the Board shall have the authority to terminate the physician's participation in the Program and require repayment of all debt repayments rendered to date.

(6) A physician who fails to complete the obligations contracted shall reimburse the Program for all amounts received under this Act, which shall be subject to interest at the annual rate of ten percent (10%) retroactive to the date the initial award was received by the recipient, to be repaid over a period not to exceed ten (10) years from the date of termination of the contract. Both the physician and the Board shall make every effort to resolve conflicts in order to prevent a breach of contract.

(7) In the event of default, the balance due in monetary terms shall be the amount of award provided, less the amount repaid through service credit.

(8) The Board may, subject to the terms and conditions of a Memorandum of Understanding with the Department of Revenue and Taxation, garnish the tax refunds due to any participant of this Program, and/or the participant's co-signer(s), who has defaulted on the repayment of such award and a judgment has issued. Such garnishment shall not exceed the judgment amount.

(9) Student loans from both government and private sources may be repaid by the Program. Participants shall agree to allow the Board access to loan records and to acquire information from lenders necessary to verify eligibility and to determine payments.

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Financial debts or service obligations which do not qualify for payment include, but are not limited to, the Public Health and National Health Service Corps scholarship training program, the National Health Service Corps scholarship program, and armed forces.

§ 52108. Disqualification.

Any person who knowingly or intentionally procures or obtains, or aids another to procure or obtain, a loan repayment under this Act through fraudulent means shall be disqualified from participation, and shall be liable to the Board for an amount equal to three (3) times the amount obtained.

§ 52109. Creation of Fund.

There is hereby established the Physician Education Debt Repayment Fund (Fund), in which awards granted to participants of the Physician Recruitment and Retention Program shall be financed. The Fund shall be held in an account separate and apart from all other accounts and funds of the government of Guam, and shall not be subject to the transfer authority of *I Maga'lahaen Guåhan*. The Board is authorized to accept gifts, devises, bequests, donations, and all other kinds of contributions for the purposes of the Fund. Up to Two Million Dollars (\$2,000,000) from the Healthy Futures Fund shall be annually transferred to the Physician Education Debt Repayment Fund, and any direct appropriations, from any source, by *I Liheslaturan Guåhan*.

Repayments to the Fund pursuant to § 52107, and any unused amounts, shall remain in the Fund. Funds in the Physician Education Debt Repayment Fund shall only be used as awards for participants of the Program, except that not more than Fifty Thousand Dollars (\$50,000) shall be used to subsidize the administrative costs for the administration of this Program.
