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**SUBSTITUTE HOUSE BILL 2002**

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**State of Washington 66th Legislature 2020 Regular Session**

**By** House College & Workforce Development (originally sponsored by Representatives Ortiz-Self, Bergquist, Santos, and Leavitt)

AN ACT Relating to creating the social work professional loan repayment program; amending RCW 28B.115.020, 28B.115.030, 28B.115.090, and 28B.115.110; reenacting and amending RCW 28B.115.070; adding a new section to chapter 28B.115 RCW; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  It is the intent of the legislature to incentivize social workers to enter into and continue in state service. Annual turnover is over twenty percent statewide for child welfare workers and over thirty percent in some regions. Repeated turnover has direct costs and indirect costs such as low morale, increased workloads, and the impact of relative inexperience on outcomes of safety, permanence, and well-being. Consistent social worker assistance to families creates better outcomes and increases family reunification. The cost of achieving their professional credential requirements can result in a social worker having an educational debt burden greater than their annual salary. Over eighty percent of social workers have student debt and the pressure to pay this debt while caring for at-risk children in crisis can be a major barrier to retaining social workers. In addition, educational debt has been identified as a deterrent to students entering into public service careers. Therefore, it is the legislature's intent to support and incentivize social workers who serve the state by establishing the social work professional loan repayment program under the umbrella of the Washington health corps.

**Sec.**  RCW 28B.115.020 and 2019 c 302 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Credentialed health care profession" means a health care profession regulated by a disciplining authority in the state of Washington under RCW 18.130.040 or by the pharmacy quality assurance commission under chapter 18.64 RCW and designated by the department in RCW 28B.115.070 as a profession having shortages of credentialed health care professionals in the state.

(2) "Credentialed health care professional" means a person regulated by a disciplining authority in the state of Washington to practice a health care profession under RCW 18.130.040 or by the pharmacy quality assurance commission under chapter 18.64 RCW.

(3) "Department" means the state department of health.

(4) "Eligible education and training programs" means education and training programs approved by the department that lead to eligibility for a credential as a credentialed health care professional.

(5) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses determined by the office.

(6) "Eligible student" means a student who has been accepted into an eligible education or training program and has a declared intention to serve in a health professional shortage area upon completion of the education or training program.

(7) "Forgiven" or "to forgive" or "forgiveness" means to ((~~render~~)) either:

(a) Render health care services in a health professional shortage area or an underserved behavioral health area in the state of Washington in lieu of monetary repayment; or

(b) Render social work services on behalf of an eligible state employer.

(8) "Health professional shortage areas" means those areas where credentialed health care professionals are in short supply as a result of geographic maldistribution or as the result of a short supply of credentialed health care professionals in specialty health care areas and where vacancies exist in serious numbers that jeopardize patient care and pose a threat to the public health and safety. The department shall determine health professional shortage areas as provided for in RCW 28B.115.070. In making health professional shortage area designations in the state the department may be guided by applicable federal standards for "health manpower shortage areas," and "medically underserved areas," and "medically underserved populations."

(9) "Loan repayment" means a loan that is paid in full or in part if the participant ((~~renders~~)) either:

(a) Renders health care services in a health professional shortage area or an underserved behavioral health area as defined by the department; or

(b) Renders social work services on behalf of an eligible state employer.

(10) "Nonshortage rural area" means a nonurban area of the state of Washington that has not been designated as a rural physician shortage area. The department shall identify the nonshortage rural areas of the state.

(11) "Office" means the office of student financial assistance.

(12) "Participant" means ((~~a~~)):

(a) A credentialed health care professional who has received a loan repayment award and has commenced practice as a credentialed health care ((~~provider~~)) professional in a designated health professional shortage area or an underserved behavioral health area;

(b) A social worker employed with an eligible state employer; or ((~~an~~))

(c) An eligible student who has received a scholarship under this program.

(13) "Required service obligation" means ((~~an~~)):

(a) An obligation by the participant to provide health care services in a health professional shortage area or an underserved behavioral health area for a period to be established as provided for in this chapter; or

(b) An obligation by the participant to provide social work services for an eligible state employer for a period as provided for in this chapter.

(14) "Rural physician shortage area" means rural geographic areas where primary care physicians are in short supply as a result of geographic maldistributions and where their limited numbers jeopardize patient care and pose a threat to public health and safety. The department shall designate rural physician shortage areas.

(15) "Satisfied" means paid-in-full.

(16) "Scholarship" means a loan that is forgiven in whole or in part if the recipient either renders health care services in a health professional shortage area or an underserved behavioral health area or renders service as a social worker for an eligible state employer.

(17) "Sponsoring community" means a rural hospital or hospitals as authorized in chapter 70.41 RCW, a rural health care facility or facilities as authorized in chapter 70.175 RCW, or a city or county government or governments.

(18) "Underserved behavioral health area" means a geographic area, population, or facility that has a shortage of health care professionals providing behavioral health services, as determined by the department.

(19) "Eligible state employer" means either the department of social and health services children's administration or the department of children, youth, and families.

(20) "Social worker" means a person who has two years of experience working with an eligible state employer and who meets one of the following qualifications:

(a) Is licensed under RCW 18.225.090(1)(a);

(b) Has graduated with at least a bachelor's degree from a social work educational program accredited by the council on social work education; or

(c) Is employed as a social service specialist.

**Sec.**  RCW 28B.115.030 and 2019 c 302 s 3 are each amended to read as follows:

The Washington health corps is the state's initiative to encourage health care, behavioral health, and social work professionals to work in underserved communities and in providing assistance to the state's most vulnerable populations. In exchange for service, the ((~~health care~~)) professional receives assistance with higher education, in the form of loan repayment or a conditional scholarship. The Washington health corps consists of the health professional loan repayment and scholarship program ((~~and~~)), the behavioral health loan repayment program, and the social work professional loan repayment program.

(1) The health professional loan repayment and scholarship program is established for credentialed health care professionals and residents serving in health professional shortage areas.

(2) The behavioral health loan repayment program is established for credentialed health care professionals serving in underserved behavioral health areas.

(3) The social work professional loan repayment program is established for social workers serving the state through employment with an eligible state employer.

(4) The ((~~health professional loan repayment and scholarship and the behavioral health loan repayment~~)) Washington health corps programs shall be administered by the office. In administering the programs, the office shall:

(a)(i) Select credentialed health care professionals and residents to participate in the loan repayment portion and in the scholarship portion of the health professional loan repayment and scholarship program; ((~~and~~))

(ii) Select credentialed health care participants to participate in the behavioral health loan repayment program; and

(iii) Select social workers to participate in the social work professional loan repayment program;

(b) Adopt rules and develop guidelines to administer the programs;

(c) Collect and manage repayments from participants who do not meet their service obligations under this chapter;

(d) Publicize the program, particularly to maximize participation among individuals in shortage and underserved areas and among populations expected to experience the greatest growth in the workforce;

(e) Solicit and accept grants and donations from public and private sources for the programs;

(f) Use a competitive procurement to contract with a fund-raiser to solicit and accept grants and donations from private sources for the programs. The fund-raiser shall be paid on a contingency fee basis on a sliding scale but must not exceed fifteen percent of the total amount raised for the programs each year. The fund-raiser shall not be a registered state lobbyist; and

(g) Develop criteria for a contract for service in lieu of the service obligation where appropriate, that may be a combination of service and payment.

NEW SECTION. **Sec.**  A new section is added to chapter 28B.115 RCW to read as follows:

The office, in consultation with eligible state employers, shall establish criteria for the selection of applicants for the social work professional loan repayment program. The office shall consider criteria that permits a social worker to apply to the program while attending a master of social work program and employed with an eligible state employer.

**Sec.**  RCW 28B.115.070 and 2019 c 415 s 954, 2019 c 406 s 72, and 2019 c 302 s 6 are each reenacted and amended to read as follows:

(1) After June 1, 1992, the department, in consultation with the office and the department of social and health services, shall:

((~~(1)~~)) (a) Determine eligible credentialed health care professions for the purposes of the health professional loan repayment and scholarship program and the behavioral health loan repayment program authorized by this chapter. Eligibility shall be based upon an assessment that determines that there is a shortage or insufficient availability of a credentialed profession so as to jeopardize patient care and pose a threat to the public health and safety. The department shall consider the relative degree of shortages among professions when determining eligibility. The department may add or remove professions from eligibility based upon the determination that a profession is no longer in shortage. Should a profession no longer be eligible, participants or eligible students who have received scholarships shall be eligible to continue to receive scholarships or loan repayments until they are no longer eligible or until their service obligation has been completed;

((~~(2)~~)) (b) Determine health professional shortage areas for each of the eligible credentialed health care professions; and

((~~(3)~~)) (c) Determine underserved behavioral health areas for each of the eligible credentialed health care professions.

(2) For the 2017-2019 and 2019-2021 fiscal biennia, consideration for eligibility shall also be given to registered nursing students who have been accepted into an eligible nursing education program and have declared an intention to teach nursing upon completion of the nursing education program.

(3) For the 2019-2021 fiscal biennium, eligibility for loan repayment shall also be given to chiropractors.

**Sec.**  RCW 28B.115.090 and 2019 c 302 s 8 are each amended to read as follows:

(1)(a) The office may grant loan repayment and scholarship awards to eligible participants from the funds appropriated to the health professional loan repayment and scholarship program, or from any private or public funds given to the office for this purpose.

(b) The office may grant loan repayment to eligible participants from the funds appropriated to the behavioral health loan repayment program or from any private or public funds given to the office for this purpose.

(c) The office may grant loan repayment to eligible participants from the funds appropriated to the social work professional loan repayment program, or from any private or public funds given to the office for this purpose.

(d) Participants are ineligible to receive loan repayment under the health professional loan repayment and scholarship program ((~~or~~)), the behavioral health loan repayment program, or the social work professional loan repayment program if they have received a scholarship from programs authorized under this chapter or chapter 70.180 RCW or are ineligible to receive a scholarship if they have received loan repayment authorized under this chapter ((~~or chapter 28B.115 RCW~~)).

(2) Funds appropriated for the health professional loan repayment and scholarship program, including reasonable administrative costs, may be used by the office for the purposes of loan repayments or scholarships. The office shall annually establish the total amount of funding to be awarded for loan repayments and scholarships and such allocations shall be established based upon the best utilization of funding for that year.

(3) One portion of the funding appropriated for the health professional loan repayment and scholarship program shall be used by the office as a recruitment incentive for communities participating in the community-based recruitment and retention program as authorized by chapter 70.185 RCW; one portion of the funding shall be used by the office as a recruitment incentive for recruitment activities in state-operated institutions, county public health departments and districts, county human service agencies, federal and state contracted community health clinics, and other health care facilities, such as rural hospitals that have been identified by the department, as providing substantial amounts of charity care or publicly subsidized health care; one portion of the funding shall be used by the office for all other awards. The office shall determine the amount of total funding to be distributed between the three portions.

**Sec.**  RCW 28B.115.110 and 2019 c 302 s 10 are each amended to read as follows:

(1) Participants in ((~~the~~)) Washington health corps programs who are awarded loan repayments shall receive payment for the purpose of repaying educational loans secured while attending ((~~a~~)) either:

(a) A program of health professional training which led to a credential as a credentialed health care professional in the state of Washington; or

(b) A social work educational program accredited by the council on social work that led to at least a bachelor's degree or a bachelor's degree in social services, human services, behavioral sciences, criminal justice, or an allied field.

((~~(1)~~)) (2) Participants shall agree to meet the required service obligation.

((~~(2)~~)) (3) Repayment shall be limited to eligible educational and living expenses as determined by the office and shall include principal and interest.

((~~(3)~~)) (4) Loans from both government and private sources may be repaid by the program. Participants shall agree to allow the office access to loan records and to acquire information from lenders necessary to verify eligibility and to determine payments. Loans may not be renegotiated with lenders to accelerate repayment.

((~~(4)~~)) (5) Repayment of loans established pursuant to ((~~the~~)) Washington health corps programs shall begin no later than ninety days after the individual has become a participant. Payments shall be made quarterly, or more frequently if deemed appropriate by the office, to the participant until the loan is repaid or the participant becomes ineligible ((~~due to discontinued~~)):

(a) Due to discontinued service in a health professional shortage area or an underserved behavioral health area ((~~after~~));

(b) Due to discontinued service for an eligible state employer; or

(c) After the required service obligation when eligibility discontinues, whichever comes first.

((~~(5)~~)) (6) Should the participant discontinue service in a health professional shortage area ((~~or~~)), in an underserved behavioral health area, or for an eligible state employer, payments against the loans of the participants shall cease to be effective on the date that the participant discontinues service.

((~~(6)~~)) (7) Except for circumstances beyond their control, participants who serve less than the required service obligation shall be obligated to repay to the program an amount equal to the unsatisfied portion of the service obligation, or the total amount paid by the program on their behalf, whichever is less. This amount is due and payable immediately. Participants who are unable to pay the full amount due shall enter into a payment arrangement with the office, including an arrangement for payment of interest. The maximum period for repayment is ten years. The office shall determine the applicability of this subsection. The interest rate shall be determined by the office and be established by rule.

((~~(7)~~)) (8) The office is responsible for the collection of payments made on behalf of participants from the participants who discontinue service before completion of the required service obligation. The office shall exercise due diligence in such collection, maintaining all necessary records to ensure that the maximum amount of payment made on behalf of the participant is recovered. Collection under this section shall be pursued using the full extent of the law, including wage garnishment if necessary.

((~~(8)~~)) (9) The office shall not be held responsible for any outstanding payments on principal and interest to any lenders once a participant's eligibility expires.

((~~(9)~~)) (10) The office shall temporarily or, in special circumstances, permanently defer the requirements of this section for eligible students as defined in RCW 28B.10.017.

((~~(10)~~)) (11) The office shall establish an appeal process by rule.

NEW SECTION. **Sec.**  The social work professional loan repayment program fund is created in custody of the state treasurer. Any funds appropriated by the legislature for the social work professional loan repayment program or any other public or private funds intended for loan repayments under this program shall be placed in the program fund created by this section. All receipts from the program shall be deposited into the program fund. Only the office of student financial assistance, or its designee, may authorize expenditures from the program fund. The program fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

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