

SSB 5502 - S AMD 99

By Senators Keiser, Pflug

ADOPTED AS AMENDED 03/09/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** INTENT. The legislature finds that there
4 is a critical shortage of primary care physicians in the state
5 especially in rural areas. Primary care physicians operate as the
6 entry point into the health care system and as such play a vital role
7 in improving quality and controlling the costs of health care. It is
8 the legislature's intent to create incentives for medical school
9 students to choose primary care practice for their medical careers.

10 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
11 section apply throughout this chapter unless the context clearly
12 requires otherwise.

13 (1) "Conditional tuition waiver" means a loan that is forgiven in
14 whole or in part if the recipient renders service as a primary care
15 physician in this state.

16 (2) "Eligible student" means a resident student, as defined in RCW
17 28B.15.012, who is registered for at least six credit hours or the
18 equivalent, is making satisfactory academic progress as defined by the
19 university, has declared primary care medicine for his or her major,
20 and has a declared intention to practice primary care medicine in the
21 state of Washington.

22 (3) "Forgiven" or "to forgive" or "forgiveness" means to practice
23 primary care medicine in the state of Washington in lieu of monetary
24 repayment.

25 (4) "Participant" means an eligible student who has received a
26 conditional tuition waiver under this chapter.

27 (5) "Primary care," for the purposes of the conditional tuition
28 waiver program established in section 3 of this act, means a physician
29 licensed under chapter 18.71 RCW who is specifically trained for family

1 practice medicine and skilled in comprehensive first contact and
2 continuing care for persons with any undiagnosed sign, symptom, or
3 health concern not limited by problem origin, organ system, or
4 diagnosis. Primary care includes health promotion, disease prevention,
5 health maintenance, counseling, patient education, and diagnosis and
6 treatment of acute and chronic illness, in a variety of health care
7 settings. Primary care is performed and managed by a personal
8 physician often collaborating with other health professionals and using
9 consultation or referral as appropriate.

10 (6) "Satisfied" means paid-in-full.

11 (7) "University" means the University of Washington.

12 NEW SECTION. **Sec. 3.** PROGRAM ESTABLISHED. The primary care
13 physician conditional tuition waiver program is established. The
14 program shall be administered by the university. In administering the
15 program, the university has the following powers and duties:

- 16 (1) To adopt necessary rules and guidelines;
- 17 (2) To publicize the program;
- 18 (3) To collect and manage repayments from students who do not meet
19 their obligations under this chapter; and
- 20 (4) To solicit and accept grants and donations from public and
21 private sources for the program.

22 NEW SECTION. **Sec. 4.** SELECTION OF PARTICIPANTS--PROCESS. (1) The
23 university shall select participants based on the application process
24 conducted by the university.

25 (2) The university shall create a standard process for medical
26 school students to declare their intention to be primary care
27 physicians for the purposes of participating in the primary care
28 physician conditional tuition waiver program. Applicants accepted into
29 the program must provide the university with a signed contract
30 accepting the terms of the program.

31 (3) Students who comply with subsection (2) of this section may be
32 awarded conditional tuition waivers under this chapter, subject to
33 available funds.

34 NEW SECTION. **Sec. 5.** CONTINUED ELIGIBILITY. To remain an

1 eligible student and receive continuing disbursements under the
2 program, a participant must be considered by the university to be
3 making satisfactory academic progress.

4 NEW SECTION. **Sec. 6.** AWARD OF TUITION WAIVERS--AMOUNT--DURATION.
5 The amount of the conditional tuition waiver awarded an individual may
6 not exceed the amount of resident tuition and fees at the university
7 incurred by an eligible student and approved by the university.
8 Participants are eligible to receive conditional tuition waivers for a
9 maximum of four years.

10 NEW SECTION. **Sec. 7.** REPAYMENT OBLIGATION--RULES. (1) A
11 participant in the conditional tuition waiver program incurs an
12 obligation to repay the tuition waiver, with interest, unless he or she
13 is employed as a primary care physician in Washington state for two
14 years for every one year of tuition received, under rules adopted by
15 the university.

16 (2) The interest rate shall be determined annually by the
17 university.

18 (3) The minimum payment shall be set by the university. The
19 payments of principal and interest shall accrue quarterly commencing
20 six months from the date the participant completes or discontinues the
21 course of study, including any internship or residency in primary care
22 medicine. Provisions for deferral of payment shall be determined by
23 the university.

24 (4) The entire principal and interest of each payment shall be
25 forgiven for each payment period in which the participant is employed
26 as a primary care physician in this state until the entire repayment
27 obligation is satisfied. Should the participant cease to be employed
28 as a primary care physician in this state before the participant's
29 repayment obligation is completed, payments on the unsatisfied portion
30 of the principal and interest shall begin the next payment period and
31 continue until the remainder of the participant's repayment obligation
32 is satisfied.

33 (5) The university is responsible for collection of repayments made
34 under this section and shall exercise due diligence in such collection,
35 maintaining all necessary records to ensure that maximum repayments are
36 made. Collection and servicing of repayments under this section shall

1 be pursued using the full extent of the law, including wage garnishment
2 if necessary. The university is responsible to forgive all or parts of
3 such repayments under the criteria established in this section and
4 shall maintain all necessary records of forgiven payments.

5 (6) Receipts from the payment of principal or interest or any other
6 subsidies to which the university as administrator is entitled, that
7 are paid by or on behalf of participants under this section, shall be
8 used to cover the costs of granting the conditional tuition waivers,
9 maintaining necessary records, and making collections under subsection
10 (5) of this section. The university shall maintain accurate records of
11 these costs, and all receipts beyond those necessary to pay such costs
12 shall be used to grant conditional tuition waivers to eligible
13 students.

14 (7) The university shall adopt rules to define the terms of
15 repayment, including applicable interest rates, fees, and deferments.

16 **Sec. 8.** RCW 28B.15.910 and 2008 c 188 s 3 are each amended to read
17 as follows:

18 (1) For the purpose of providing state general fund support to
19 public institutions of higher education, except for revenue waived
20 under programs listed in subsections (3) and (4) of this section, and
21 unless otherwise expressly provided in the omnibus state appropriations
22 act, the total amount of operating fees revenue waived, exempted, or
23 reduced by a state university, a regional university, The Evergreen
24 State College, or the community colleges as a whole, shall not exceed
25 the percentage of total gross authorized operating fees revenue in this
26 subsection. As used in this section, "gross authorized operating fees
27 revenue" means the estimated gross operating fees revenue as estimated
28 under RCW 82.33.020 or as revised by the office of financial
29 management, before granting any waivers. This limitation applies to
30 all tuition waiver programs established before or after July 1, 1992.

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|----|-----------------------------------|------------|
| 31 | (a) University of Washington | 21 percent |
| 32 | (b) Washington State University | 20 percent |
| 33 | (c) Eastern Washington University | 11 percent |
| 34 | (d) Central Washington University | 10 percent |
| 35 | (e) Western Washington University | 10 percent |
| 36 | (f) The Evergreen State College | 10 percent |
| 37 | (g) Community colleges as a whole | 35 percent |

1 (2) The limitations in subsection (1) of this section apply to
2 waivers, exemptions, or reductions in operating fees contained in the
3 following:

- 4 (a) RCW 28B.15.014;
- 5 (b) RCW 28B.15.100;
- 6 (c) RCW 28B.15.225;
- 7 (d) RCW 28B.15.380;
- 8 (e) RCW 28B.15.520;
- 9 (f) RCW 28B.15.526;
- 10 (g) RCW 28B.15.527;
- 11 (h) RCW 28B.15.543;
- 12 (i) RCW 28B.15.545;
- 13 (j) RCW 28B.15.555;
- 14 (k) RCW 28B.15.556;
- 15 (l) RCW 28B.15.615;
- 16 (m) RCW 28B.15.621 (2) and (4);
- 17 (n) RCW 28B.15.730;
- 18 (o) RCW 28B.15.740;
- 19 (p) RCW 28B.15.750;
- 20 (q) RCW 28B.15.756;
- 21 (r) RCW 28B.50.259; (~~and~~)
- 22 (s) RCW 28B.70.050; and
- 23 (t) Section 4 of this act.

24 (3) The limitations in subsection (1) of this section do not apply
25 to waivers, exemptions, or reductions in services and activities fees
26 contained in the following:

- 27 (a) RCW 28B.15.522;
- 28 (b) RCW 28B.15.540;
- 29 (c) RCW 28B.15.558; and
- 30 (d) RCW 28B.15.621(3).

31 (4) The total amount of operating fees revenue waived, exempted, or
32 reduced by institutions of higher education participating in the
33 western interstate commission for higher education western
34 undergraduate exchange program under RCW 28B.15.544 shall not exceed
35 the percentage of total gross authorized operating fees revenue in this
36 subsection.

- 37 (a) Washington State University 1 percent
- 38 (b) Eastern Washington University 3 percent

1 (c) Central Washington University 3 percent

2 (5) The institutions of higher education will participate in
3 outreach activities to increase the number of veterans who receive
4 tuition waivers. Colleges and universities shall revise the
5 application for admissions so that all applicants shall have the
6 opportunity to advise the institution that they are veterans who need
7 assistance. If a person indicates on the application for admissions
8 that the person is a veteran who is in need of assistance, then the
9 institution of higher education shall ask the person whether they have
10 any funds disbursed in accordance with the Montgomery GI Bill available
11 to them. Each institution shall encourage veterans to utilize funds
12 available to them in accordance with the Montgomery GI Bill prior to
13 providing the veteran a tuition waiver.

14 NEW SECTION. **Sec. 9.** A new section is added to chapter 28B.20 RCW
15 to read as follows:

16 The University of Washington shall provide medical school students
17 with information about the growth of patient and family-centered
18 primary care medical homes throughout the state as a desirable and
19 important strategy to improve quality of care.

20 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.20
21 RCW to read as follows:

22 Funding for graduate medical education shall be directed toward
23 residents in family medicine, internal medicine, and pediatrics who
24 plan to pursue primary care in Washington following their residency
25 programs.

26 NEW SECTION. **Sec. 11.** CAPTIONS NOT LAW. Captions used in this
27 act are not any part of the law.

28 NEW SECTION. **Sec. 12.** Sections 2 through 7 of this act are each
29 added to chapter 28B.15 RCW.

30 NEW SECTION. **Sec. 13.** This act expires July 1, 2019."

ADOPTED AS AMENDED 03/09/2009

1 On page 1, line 1 of the title, after "training;" strike the
2 remainder of the title and insert "amending RCW 28B.15.910; adding new
3 sections to chapter 28B.15 RCW; adding new sections to chapter 28B.20
4 RCW; creating new sections; and providing an expiration date."

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