WEST VIRGINIA LEGISLATURE
SECOND EXTRAORDINARY SESSION, 1991

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ENROLLED
Com. Sub. for
HOUSE BILL NO. 213

(By Delegate ... Speaker, Mr. Chambers,
[By Request of the Executive]

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Passed .................................. October 18, 1991

In Effect ................................ Passage
ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 213

(By Mr. Speaker, Mr. Chambers)
(By Request of the Executive)

[Passed October 18, 1991; in effect from passage.]

AN ACT to amend and reenact section four, article ten, chapter four of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to amend and reenact section three, article three, chapter eighteen-b of said code; to amend and reenact section four, article ten of said chapter; to amend said chapter by adding thereto a new article, designated article sixteen; and to amend and reenact section one, article three, chapter eighteen-c of said code, all relating to establishing a rural health initiative; providing sunset provision for advisory panel; requiring the chancellor of the board of directors to prepare a plan for coordination of allied health care programs with the rural health initiative for submission to the vice chancellor; provision for and disposition of medical education fee; designating a short title; setting forth legislative findings; defining terms; establishing goals of the rural health initiative; setting forth the powers and duties of the vice chancellor for health sciences; creating an advisory panel; providing for appointment, terms and expense reimbursement of members of the advisory panel; setting forth the powers and duties of the advisory panel; establishing primary health care education sites; specifying site selection
criteria; providing for financial support of the sites, allocation of appropriations and reappropriation of certain funds; requiring accountability through reports and audit; requiring development of performance indicators; creating the health education student loan program; establishing a special revolving fund account; requiring a portion of the medical education fee to be deposited into the fund; specifying other moneys to be deposited in the fund; setting forth eligibility requirements for a loan; providing for award and cancellation of loans; defining breach of contract and penalty therefor; continuing eligibility for students granted a loan under the previous section; requiring reports by the senior administrator; and promulgation of rules by the secretary of the department of education and the arts.

*Be it enacted by the Legislature of West Virginia:*

That section four, article ten, chapter four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; that section three, article three, chapter eighteen-b of said code be amended and reenacted; that section four, article ten of said chapter be amended and reenacted; that said chapter be amended by adding thereto a new article, designated article sixteen; and that section one, article three, chapter eighteen-c of said code be amended and reenacted, all to read as follows:

**CHAPTER 4. THE LEGISLATURE.**

**ARTICLE 10. THE WEST VIRGINIA SUNSET LAW.**

**§4-10-4. Termination of governmental entities or programs.**

1. The following governmental entities and programs shall be terminated on the date indicated but no governmental entity or program shall be terminated under this article unless a performance audit has been conducted of such entity or program, except as authorized under section fourteen of this article:

1. (1) On the first day of July, one thousand nine hundred eighty-one: Judicial council of West Virginia; motor vehicle certificate appeal board; and child welfare
licensing board.

(2) On the first day of July, one thousand nine hundred eighty-two: Ohio River basin commission; commission on postmortem examination; and the state commission on manpower, training and technology.

(3) On the first day of July, one thousand nine hundred eighty-three: Anatomical board; economic opportunity advisory committee; and the community development authority board.

(4) On the first day of July, one thousand nine hundred eighty-four: The following programs of the department of natural resources: Rabies control, work incentive program; and the West Virginia alcoholic beverage control licensing advisory board.

(5) On the first day of July, one thousand nine hundred ninety-five: Beautification commission.

(6) On the first day of July, one thousand nine hundred eighty-six: Health resources advisory council.

(7) On the first day of July, one thousand nine hundred eighty-seven: Civil service commission advisory board; and the motorcycle safety standards and specifications board.

(8) On the first day of July, one thousand nine hundred eighty-eight: Labor management relations board; records management and preservation advisory committee; minimum wage rate board; commission on mass transportation; and the public employees insurance board.

(9) On the first day of July, one thousand nine hundred eighty-nine: Mental retardation advisory committee; board of school finance; veteran's affairs advisory council; and the reclamation commission.

(10) On the first day of July, one thousand nine hundred ninety: Consumer affairs advisory council; savings and loan association; and the forest industries industrial foundation.

(11) On the first day of July, one thousand nine
hundred ninety-one: The following divisions or programs of the department of agriculture: Interagency committee on pesticides.

(12) On the first day of July, one thousand nine hundred ninety-two: State water resources board; water resources division, department of natural resources; whitewater advisory board; state board of risk and insurance management; West Virginia's membership in the interstate commission on the Potomac River basin; board of banking and financial institutions; the farm management commission; state building commission; the capitol building commission; the board of examiners in counseling; public service commission; family protection services board; board of examiners of land surveyors; legislative oversight commission on education accountability; West Virginia ethics commission; family law masters system; state lottery commission; the following divisions or programs of the department of agriculture: Soil conservation committee, rural resource division, meat inspection program; women's commission; and the child advocate office of the department of health and human resources.

(13) On the first day of July, one thousand nine hundred ninety-three: Commission on uniform state laws; state structural barriers compliance board; the oil and gas inspectors examining board; the tree fruit industry self-improvement program; the oil and gas conservation commission; and the council of finance and administration.

(14) On the first day of July, one thousand nine hundred ninety-four: Ohio River valley water sanitation commission; the southern regional education board; real estate commission; the division of labor; division of tourism and parks; division of corrections; and the veteran's council.

(15) On the first day of July, one thousand nine hundred ninety-five: Emergency medical services advisory council; commission on charitable organizations; information system advisory commission; West Virginia labor-management council; the board of social
work examiners; and the rural health initiative advisory panel.

(16) On the first day of July, one thousand nine hundred ninety-six: U.S. geological survey program within the division of natural resources; state geological and economic survey; division of culture and history; and the board of investments.

(17) On the first day of July, one thousand nine hundred ninety-seven: The driver's licensing advisory board; department of health and human resources; West Virginia health care cost review authority; and the division of personnel.

CHAPTER 18B. HIGHER EDUCATION.

ARTICLE 3. BOARD OF DIRECTORS OF THE STATE COLLEGE SYSTEM.

§18B-3-3. Additional duties of board of directors.

(a) The board of directors shall determine programs to be offered by state institutions of higher education under its jurisdiction.

(b) The board of directors shall govern community colleges and shall organize eight community college service areas in accordance with section four of this article.

(c) The board of directors of the state college system shall govern the state college system. The board of directors shall develop by the first day of January, one thousand nine hundred ninety, a proposed classification plan and salary plan for full-time faculty based upon the level of program being taught by said full-time faculty member, whether baccalaureate programs or associate level programs. The classification plan and salary plan shall be submitted to the secretary of education and the arts for approval.

(d) The chancellor of the board of directors shall prepare a detailed plan for the coordination of allied health care education programs with the rural health initiative and shall submit the plan, by the first day of January, one thousand nine-hundred ninety-two, to the
vice chancellor for health sciences created pursuant to section six, article two of this chapter for review and approval. After the vice chancellor for health sciences reviews and approves the plan, the chancellor of the board of directors shall submit the plan to the board of directors for their approval and implementation.

ARTICLE 10. FEES AND OTHER MONEY COLLECTED AT STATE INSTITUTIONS OF HIGHER EDUCATION.

§18B-10-4. Medical education fee.

In addition to the fees specifically provided for in sections one, two and three of this article, all medical students enrolled for credit at the West Virginia University school of medicine, Marshall University school of medicine and the West Virginia school of osteopathic medicine shall pay a medical education fee. The board of trustees shall fix the fee rates for students at each institution and may from time to time change these rates. The fee imposed by this section is in addition to the maximum fees allowed to be collected under the provisions of section one of this article and is not limited thereby. Refunds of the fee may be made in the same manner as any other fee collected at state institutions of higher education. Medical education fees collected shall be deposited in a special revenue account which is hereby created in the state treasury for the school at which the fees are collected and shall be used by the school to offset general operating costs: Provided, That the board of trustees shall deposit a portion of the total fees collected therein into the health education student loan fund account in accordance with the provisions of article three, chapter eighteen-c of this code. Before the first day of July of each year, the board of trustees shall provide the legislative auditor with a report of the projected fee collections for each of the schools of medicine.

ARTICLE 16. HEALTH CARE EDUCATION.

§18B-16-1. Short title.

This article shall be known and may be cited as “The Rural Health Initiative Act of 1991.”
§18B-16-2. Legislative findings and declarations.

(a) The Legislature hereby finds and declares that the health of the citizens of West Virginia is of paramount importance; that the education of health care professionals must be reshaped; that the delivery of health care services must be improved; that refocusing health sciences education will aid in the recruitment of health care professionals and their retention in the state; that the educational process should incorporate clinical experience in rural areas and provide improved availability of health care services throughout the state, especially in rural areas; and that the state investment in such education and services must be contained within reasonable limits.

(b) The Legislature further hereby finds and declares that the vice chancellor for health sciences shall provide an integral link among the advisory panel created in section six of this article, the health sciences programs at the state institutions of higher education, the governing boards of the state's institutions of higher education and the joint commission for vocational-technical-occupational education to assure cooperation and the coordination of efforts to effectuate the goals set forth in section four of this article.

(c) It is the further finding of the Legislature that the appropriations pursuant to section eight of this article are made with the understanding that the educational and clinical programs existing at the schools of medicine on the effective date of this section, as well as the goals of this article, will be met without requests for increases in the annual appropriations through the fiscal year beginning on the first day of July, one thousand nine hundred ninety-five, with the exception of requested increases in appropriations for the purpose of meeting any increases in the salaries of personnel as may be given to other employees at state institutions of higher education under the board of trustees.

(d) The Legislature further finds that there is a serious need throughout the state for a greater number of primary care physicians and allied health care
professionals and a serious need for improved accessibility to adequate health care throughout the state, especially in rural areas; that the state's medical schools are finding it difficult to satisfy the ever increasing demand for qualified persons to deliver these health care services and that the state's institutions of higher education and rural health care facilities existing throughout the state are a major educational resource for training students in these health care services, as well as a major resource for providing health care to underserved citizens of this state.

(e) The Legislature further finds that in order to provide adequate health care in rural communities there must be a cooperative initiative among educators, physicians, mid-level providers, allied health care providers and the rural communities.

§18B-16-3. Definitions.

For purposes of this article, and in addition to the definitions set forth in section two, article one of this chapter, the terms used in this article have the following definitions ascribed to them:

(a) “Advisory panel” or “panel” means the rural health initiative advisory panel created under section six of this article;

(b) “Allied health care” means health care other than that provided by physicians, nurses, dentists and mid-level providers and includes, but is not limited to, care provided by clinical laboratory personnel, physical therapists, occupational therapists, respiratory therapists, medical records personnel, dietetic personnel, radiologic personnel, speech-language-hearing personnel and dental hygienists.

(c) “Health care planning commission” means the commission created pursuant to article one-a, chapter sixteen of this code.

(d) “Mid-level provider” includes, but is not limited to, advanced nurse practitioners, nurse-midwives, and physician assistants.
(e) "Office of rural health" means that agency, staff or office within the department of health and human resources which has as its primary focus the delivery of rural health care.

(f) "Primary care" means basic or general health care which emphasizes the point when the patient first seeks assistance from the medical care system and the care of the simpler and more common illnesses. This type of care is generally rendered by family practice physicians, general practice physicians, general internists, obstetricians, pediatricians, psychiatrists, and mid-level providers.

(g) "Primary health care education sites" or "sites", whether the term is used in the plural or singular, means those rural health care facilities established for the provision of educational and clinical experiences pursuant to section seven of this article.

(h) "Rural health care facilities" or "facilities", whether the term is used in the plural or singular, means nonprofit, free-standing primary care clinics in medically underserved or health professional shortage areas and nonprofit rural hospitals with one hundred or less licensed acute care beds, located in a nonstandard metropolitan statistical area.

(i) "Schools of medicine" means the West Virginia University School of Medicine, which is the School of Health Sciences; the Marshall School of Medicine, which is the Marshall Medical School; and the West Virginia School of Osteopathic Medicine.

(j) "Vice chancellor" means the vice chancellor for health sciences provided for under section six, article two of this chapter.

§18B-16-4. Establishment of rural health initiative; goals of rural health initiative.

There is hereby established a rural health initiative under the auspices of the board of trustees and under the direction and administration of the vice chancellor.

The goals of the rural health initiative include, but are not limited to:
(a) The development of at least six primary health care education sites;
(b) The establishment of satellite programs from the primary health care education sites to provide additional opportunities for students and medical residents to serve under role models in rural areas;
(c) The provision of training to all medical students under the direction of primary care physicians practicing in rural areas;
(d) The provision of admission preferences for qualified students entering primary care in needed specialties in underserved areas;
(e) The creation of medical residency rotations in hospitals and clinics in rural areas and the provision of incentives to medical residents to accept the residencies at these hospitals and clinics;
(f) The placement of mid-level providers in rural communities and the provision of support to the mid-level providers;
(g) The extension of rural hospital physician respite loan programs to rural primary health care clinics;
(h) The development of innovative programs which enhance student interest in rural health care opportunities;
(i) The increased placement of primary care physicians in underserved areas;
(j) The increased retention of obstetrical providers and the availability of prenatal care;
(k) The increased use of underserved areas of the state in the educational process;
(l) An increase in the number of support services provided to rural practitioners;
(m) An increase in the retention rate of graduates from West Virginia medical schools, nursing schools and allied health care education programs;
(n) The development of effective health promotion and
disease prevention programs to enhance wellness; and
(o) The establishment of primary health care educa-
tion sites which complement existing community health
care resources and which do not relocate the fundamen-
tal responsibility for health care from the community to
the board of trustees.

§18B-16-5. Powers and duties of the vice chancellor.
1 In addition to all other duties assigned to the vice
2 chancellor by the board of trustees, the vice chancellor
3 shall:
(a) Provide assistance to communities in planning an
5 educational and clinical component for the primary
6 health care education sites;
(b) Coordinate and approve the provision of faculty
8 members, students, interns and residents at the educa-
9 tion sites;
(c) Report directly to the board of trustees regarding
11 the rural health initiative;
(d) Oversee the administration of the Kellogg founda-
13 tion grant;
(e) Coordinate the rural health initiative with the
15 allied health care education programs within the state
16 college system;
(f) Prepare the budget for the rural health initiative
18 and submit the budget to the board of trustees for their
19 approval;
(g) Distribute the funds which were appropriated to
21 the board of trustees and the secretary of the depart-
22 ment of education and the arts, by the Legislature, for
23 the rural health initiative;
(h) Mediate any disputes between the institutions of
25 higher education regarding the rural health initiative;
(i) Approve the plan submitted by the board of
directors under section three, article three of this
chapter;
(j) Consult with the joint commission for vocational-
technical-occupational education established under section one, article three-a of this chapter on the coordination of the education of student practical nurses with the rural health initiative; and

(k) Perform such other duties as may be prescribed by this article or as may be necessary to effectuate the provisions of this article.

§18B-16-6. Creation of advisory panel; termination; powers and duties.

(a) The rural health initiative advisory panel is hereby created and shall be composed of eighteen members as follows: (1) One member shall be the commissioner of the bureau of public health, who shall chair the panel; (2) one member shall be a representative of the office of rural health; (3) one member shall be a representative of the health care planning commission; (4) one member shall be a representative of the office of community health services; (5) five members shall be rural health care providers, two of whom shall be representatives of rural health care facilities selected from such lists as may be submitted by associations interested or involved in the provision of rural health care, two of whom shall be physicians engaged in the private practice of rural medicine, and one of whom shall be an advanced nurse practitioner or a nurse-midwife with experience in rural health care delivery; (6) four members shall represent consumers; (7) one member shall be a president of a private college or university to represent the health education programs at the state's private colleges and universities: Provided, That the presidents of the various private colleges and universities shall select the member representing the private colleges and universities and submit the name to the governor for his appointment: Provided, however, That such member shall be a nonvoting member; (8) one member shall be the president of the West Virginia school of osteopathic medicine or a designee; (9) one member shall be the vice president of the West Virginia university school of medicine or a designee; (10) one member shall be the vice president of the Marshall university school of medicine or a designee; and (11) one member shall be
a president of a state college to represent the health
education programs of the state college system, selected
by a vote of the presidents of the state colleges. Those
members representing state institutions of higher
education shall be ex officio, nonvoting members of the
panel.

The governor, with the advice and consent of the
Senate, shall appoint those individuals who are not
members of the panel by virtue of their office. The
governor shall appoint those members of the panel who
represent health care providers and consumers for
staggered, three-year terms, and the resident addresses
of such members shall be geographically dispersed
throughout the state. All successive appointments shall
be for three-year terms. After the initial appointment
of the advisory panel, any appointment to fill a vacancy
shall be for the unexpired term only.

The governor shall make all appointments within ten
days of the effective date of this article, and the vice
chancellor shall convene the advisory panel by the first
day of December, one thousand nine hundred ninety-one.
Thereafter, the chair shall schedule the meetings of the
panel and notify members of such meetings. The panel
shall meet at least monthly until such time as the initial
recommendation has been forwarded to the vice chan-
cellor and at least quarterly thereafter or upon the call
of the chair.

Members of the advisory panel shall be reimbursed
for the cost of reasonable and necessary expenses
actually incurred in the performance of their duties:
Provided, That members of the panel who are employed
by the state of West Virginia shall not be reimbursed
for their expenses under the provisions of this section.

(b) The advisory panel shall be terminated by the
provisions of article ten, chapter four of this code on the
first day of July, one thousand nine hundred ninety-five,
unless sooner terminated or unless continued or reestab-
lished pursuant to that article.

(c) The advisory panel has the power and the duty to
recommend rural health care facilities to be established
as primary health care education sites. Such recommendation shall be made to the vice chancellor in accordance with the criteria set forth in section seven of this article. After review of the proposals submitted to the vice chancellor by the schools of medicine pursuant to section eight of this article, the panel's recommendation shall include an estimation of the costs to be allocated per site from available funds in the university of West Virginia health sciences account in the line item designated for rural health initiative site support.

(d) The advisory panel shall adopt guidelines regarding the application by rural health care facilities for selection as primary health care education sites and shall approve an application form which provides the panel with sufficient information to consider the criteria set forth in section eight of this article. The guidelines and application shall be sent by registered mail to each rural health care facility in the state as soon as practicable after the effective date of this section.

(e) The advisory panel shall provide an on-going evaluation of the rural health initiative and shall make the reports required under this article.

§18B-16-7. Establishment and operation of primary health care education sites.

(a) In addition to the authority granted elsewhere in this chapter, the board of trustees is authorized and directed to establish at least six primary health care education sites at existing rural health care facilities at which students, interns and residents in health sciences and allied health care education programs may be provided educational and clinical experiences. The board of trustees shall establish at least six sites prior to the first day of January, one thousand nine hundred ninety-four. The vice chancellor shall, where practicable, and based upon recommendations of the joint commission on vocational-technical-occupational education established in section one, article three-a of this chapter, allow for the provision of educational experience to student practical nurses at the primary health care education sites.
(b) The advisory panel and the vice chancellor shall carefully analyze prospective sites so that the selection of the primary health care education sites and their satellites meet the ultimate goals of expanding rural health care without adversely impacting on existing health care providers or facilities.

(c) The advisory panel and the vice chancellor shall employ an open and competitive process in selecting locations for primary health care education sites and shall observe as criteria the following factors: (1) The degree of community interest, support and involvement in seeking award of the site; (2) qualification as a medically underserved or health professional shortage area; (3) the financial need of the community, (4) statewide geographic dispersion; (5) the amount of local financial support available to initiate and continue the site, including the possibility of the site's being financially self-sufficient within a reasonable period of time; (6) the adequacy of facilities available to accommodate the health sciences and allied health care education program; (7) consistency with planning efforts of the office of rural health and the health care planning commission; (8) the amount and manner in which health care needs unique to West Virginia are addressed and will be addressed; (9) the degree to which state institutions of higher education cooperate in the health care education site; (10) the number of patients and patient encounters; (11) the number of existing health care providers in the area and the degree to which the rural health care facility will work with and impact on those health care providers; and (12) the level of networking among local health care providers serving the area.

(d) The vice chancellor shall select the primary health care education sites from the list of recommendations made by the advisory panel in accordance with section six of this article. The vice chancellor shall communicate his or her selection to the board of trustees for final approval by the board. The vice chancellor shall notify the advisory panel and the board of trustees regarding the extent to which the panel's recommendations were
adopted by the vice chancellor and his or her reasons
for rejecting any recommendations of the panel.

(e) The board of trustees may enter into a contractual
relationship with each primary health care education
site, which shall be in accordance with such laws as may
apply to publicly funded partnerships with private,
nonprofit entities and the provisions of section three,
article five of this chapter.


(a) The primary health care education sites estab-
lished under this article shall be supported financially
in part from line item appropriations to the university
of West Virginia health sciences account. Funds shall be
distributed to the state's schools of medicine upon
consideration of the recommendations of the vice
chancellor. Appropriations to the university of West
Virginia health sciences account to support the rural
health initiative shall be by line item, with at least one
line item designated for primary health education
program support at the schools of medicine and at least
one line item designated for rural health initiative site
support.

(b) The vice chancellor shall require each school of
medicine to submit a detailed proposal which shall state,
with specificity, how each school of medicine will be
working to further the goals and meet the criteria set
forth in this article and the amount of appropriation
which would be needed by each school to implement the
proposal.

The vice chancellor shall, giving consideration to such
proposals, prepare a comprehensive plan to be presented
to the board of trustees, which plan shall include a
recommendation for allocations of moneys appropriated
for program support and a recommendation for the
allocation of moneys designated for support of the
primary health care education sites commensurate with
each school's level of participation in such sites.

(c) Notwithstanding the provisions of section twelve,
article three, chapter twelve of this code, any funds
appropriated to the board of trustees in accordance with
the provisions of this section that remain unallocated or
unexpended at the end of any fiscal year shall not
expire, shall remain in the line item to which they were
originally appropriated and shall be available in the
next fiscal year to the board of trustees or a school of
medicine for allocation or expenditure for the purposes
of this article.

(d) The rural health initiative shall also be supported,
in part, from appropriations made to the secretary of the
department of education and the arts, under a separate
line item for the board of directors of the state college
system for the rural health initiative, for distribution to
participating health education programs under the
board of directors. Appropriations shall not be expended
or allocated until the required plan has been approved
by the vice chancellor in accordance with section three,
article three of this chapter.

Notwithstanding the provisions of section twelve,
article three, chapter twelve of this code, any funds
appropriated to the board of directors in accordance
with the provisions of this section that remain unallo-
cated or unexpended at the end of any fiscal year shall
not expire, shall remain in the line item to which they
were originally appropriated and shall be available in
the next fiscal year to the board of directors for
allocation or expenditure for the purposes of this article.

(e) Additional financial support shall come from fees
generated by services, from grants and contracts, and
from community resources. Any fees so generated shall
be paid to and expended by the facility established as
a primary health care education site unless an alterna-
tive fee arrangement is mutually agreed upon by the
chief administrator of the site and the vice chancellor
for health sciences.

§18B-16-9. Accountability; reports and audit required.

(a) The vice chancellor, with the assistance of the
advisory panel, shall report in detail to the board of
trustees on the expenditure and planned expenditure of
public funds to the schools of medicine under section
eight of this article. The board of trustees shall report
to the governor, the president of the Senate and the
speaker of the House of Delegates no later than the
fifteenth day of February, one thousand nine hundred
ninety-two, the thirtieth day of June, one thousand nine
hundred ninety-two, the thirty-first day of December,
one thousand nine hundred ninety-two, and, thereafter,
annually prior to the first day of December as a part
of the higher education report cards required by section
eight-a, article one of this chapter.

(b) The vice chancellor, with the guidance and
recommendations of the advisory panel, shall develop
additional performance indicators, including, but not
limited to: (1) An analysis of the health care needs of
the targeted areas; (2) the number of persons served and
the nature of the services provided; (3) the number of
full-time and part-time faculty, students, interns and
residents, by discipline, participating in the health
science and allied health care education programs; (4)
the number of health providers in each community
served by primary health care education sites; (5) the
financial, social and health status changes in each
community served by primary health care education
sites; and (6) the extent to which the plans and policies
of the office of rural health and the health care planning
commission are being effectuated. The vice chancellor
shall provide information on the performance indicators
to the board of trustees for inclusion in the higher
education accountability report card for health sciences
provided for in section eight-a, article one of this
chapter.

(c) The advisory panel shall report at least annually
to the joint legislative oversight commission on educa-
tion accountability created under section eleven, article
three-a, chapter twenty-nine-a of this code and to the
area health education centers subcommittee of the joint
committee on government and finance regarding the
status of the rural health care initiative, paying
particular attention to the role of the communities.

(d) The vice chancellor shall report at least annually
to the joint legislative oversight commission on educa-
tion accountability created under section eleven, article three-a, chapter twenty-nine-a of this code and to the area health education centers subcommittee of the joint committee on government and finance regarding the status of the rural health care initiative, paying particular attention to the role of the schools of medicine.

(e) The board of trustees shall facilitate a meeting at least quarterly for the chief administrators of each primary health care education site established pursuant to this article and each chief administrator at other rural health care facilities providing educational and clinical experiences to students, interns and residents at the state's schools of medicine. The meetings shall commence no later than the first day of July, one thousand nine hundred ninety-two, and shall be for the purpose of discussing the status, efficiency and effectiveness of the various programs and their operation and recommending any changes to the board of trustees, which may include statutory recommendations to be made to the Legislature.

In addition to the reports otherwise required and commencing with a report for the fiscal year beginning on the first day of July, one thousand nine hundred ninety-one, the chief administrators shall submit to the board of trustees an annual evaluation of the extent to which the goals set forth in section four of this article and other goals relating to collaborative efforts between the schools of medicine and rural health care facilities are being attained. Such report shall be forwarded annually in its entirety to the governor, the president of the Senate and the speaker of the House of Delegates no later than the fifteenth day of January.

(f) The legislative auditor, at the direction of the joint committee on government and finance, shall perform on an ongoing basis a fiscal and performance review of the medical education components within the university of West Virginia system, the state college system and the rural health initiative for periodic review by the Legislature.
CHAPTER 18C. STUDENT LOANS; SCHOLARSHIPS AND STATE AID.

ARTICLE 3. HEALTH PROFESSIONALS STUDENT LOAN PROGRAMS.

§18C-3-1. Health education loan program; establishment; administration; eligibility; penalty for nonperformance of loan terms.

(a) Legislative findings. — The Legislature finds that there is a critical need for additional practicing health care professionals in West Virginia. Therefore, there is hereby created a health education student loan program to be administered by the senior administrator of the higher education central office. The purpose of this program is to provide a loan for tuition and fees to students enrolled in health education programs at West Virginia institutions of higher education who intend to practice their profession in underserved areas in the state following completion of their studies. The loans are not to be awarded on the basis of the financial need of the student, rather the loans are to be awarded based on the need of the state to retain all levels of health professionals in all areas of the state and where possible to complement the rural health initiative established in article sixteen, chapter eighteen-b of this code.

(b) Establishment of special account. — There is hereby established a special revolving fund account under the board of trustees in the state treasury to be known as the health education student loan fund which shall be used to carry out the purposes of this section. The fund shall consist of: (1) All funds on deposit in the medical student loan fund in the state treasury on the effective date of this section, or which are due or become due for deposit in the fund as obligations made under the previous enactment of this section; (2) thirty-three percent of the annual collections from the medical education fee established by section four, article ten, chapter eighteen-b of this code, or such other percentage as may be established by the board of trustees by legislative rule subject to approval of the Legislature pursuant to the provisions of article three-a, chapter twenty-nine-a of this code; (3) appropriations provided
by the Legislature; (4) penalties assessed to individuals for failure to perform under the terms of a loan contract as set forth under this section, and repayment of any loans which may be made from funds in excess of those needed for loans under this section; (5) amounts provided by medical associations, hospitals, or other medical provider organizations in this state, or by political subdivisions of the state, under an agreement which requires the recipient to practice his or her health profession in this state or in the political subdivision providing the funds for a predetermined period of time and in such capacity as set forth in the agreement; and (6) other amounts which may be available from external sources. Balances remaining in the fund at the end of the fiscal year shall not expire or revert. All costs associated with the administration of this section shall be paid from the health education student loan fund.

(c) Eligibility and forgiveness requirements for health education student loan. — An individual is eligible for a health education student loan if the individual: (1) Is enrolled or accepted for enrollment at the West Virginia university school of medicine, Marshall University school of medicine, the West Virginia school of osteopathic medicine in a program leading to the degree of medical doctor (M.D.) or doctor of osteopathy (D.O.): Provided, That the individual has not yet received one of these degrees and is not in default of any previous student loan; (2) meets the established academic standards; and (3) signs a contract to practice his or her health profession in an underserved area of the state: Provided, however, That for every year that an individual serves in an underserved area, ten thousand dollars of the loan granted to the individual will be forgiven.

Loans shall be awarded by the senior administrator, with the advice of the board of trustees, on a priority basis from the pool of all applications with the first priority being a commitment to serve in an underserved area of the state or in a medical specialty in which there is a shortage of practitioners in the state as determined by the state division of health at the time the loan is granted.
At the end of each fiscal year, any individual who has received a health education student loan shall submit to the board of trustees a notarized, sworn statement of service on a form provided for that purpose. Upon receipt of such statement in proper form and verification that the individual has complied with the terms under which the loan was granted, the board of trustees shall cancel up to ten thousand dollars of the outstanding loan for every full twelve consecutive calendar months of such service.

If an individual fails to submit the required statement of service, or submits a fraudulent statement, in addition to other penalties, the individual is in breach of contract resulting in a penalty of three times the amount of the outstanding balance of the loan granted.

A loan recipient who subsequently fails to meet the academic standards necessary for completion of the course of study under which the loan was granted or who fails to complete the course of study under which the original loan was granted is liable for repayment of the loan amount under the terms for the repayment of loans established by the board of trustees at the time the loan contract was executed.

(d) Loans granted under medical student loan program. — Any student granted a medical student loan under the provisions of this section prior to the effective date of the amendment and reenactment of this section at the second extraordinary session of the Legislature in the year one thousand nine hundred ninety-one, continues to be eligible for consideration for receipt of such a loan, and/or obligated to repay such loan, as the case may be, under the prior provisions. Thereafter, the senior administrator may utilize any funds remaining in the health education student loan fund after all loan grants have been disposed of for the purposes of the medical student loan program. An individual is eligible for loan consideration if the individual demonstrates financial need, meets established academic standards and is enrolled or accepted for enrollment at one of the aforementioned schools of medicine in a program leading to the degree of medical doctor (M.D.) or doctor
of osteopathy (D.O.): Provided, That the individual has not yet received one of these degrees and is not in default of any previous student loan: Provided, however, That the board of trustees shall give priority for the loans to residents of this state, as defined by the board of trustees. At the end of each fiscal year, any individual who has received a medical student loan and who has actually rendered services as a medical doctor or a doctor of osteopathy in this state in a medically underserved area or in a medical specialty in which there is a shortage of physicians, as determined by the division of health at the time the loan was granted, may submit to the board of trustees a notarized, sworn statement of service on a form provided for that purpose. Upon receipt of such statement in proper form and verification of services rendered, the board of trustees shall cancel five thousand dollars of the outstanding loan or loans for every full twelve consecutive calendar months of such service.

(e) Report by senior administrator. — No later than thirty days following the end of each fiscal year, the senior administrator shall prepare and submit a report to the board of trustees for inclusion in the statewide report card required under section six, article two, chapter eighteen-b of this code to be submitted to the legislative oversight commission on education accountability established under section eleven, article three-a, chapter twenty-nine-a of this code. The report of the senior administrator shall include at a minimum the following information: (1) The number of loans awarded; (2) the total amount of the loans awarded; (3) the amount of any unexpended moneys in the fund; and (4) the rate of default during the previous fiscal year on the repayment of previously awarded loans.

(f) Promulgation of rules. — The secretary of the department of education and the arts shall promulgate rules necessary for the operation of this section.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House. Takes affect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within is approved this the day of November, 1991.

Governor
PRESENTED TO THE GOVERNOR

Date 15/28/94
Time 3:51 p.m.