**Section 593.240 Scholarship Repayments**

a) Upon the Illinois licensure of the scholarship recipient to practice podiatric medicine, the recipient shall provide podiatric health care in a designated shortage area of Illinois. The term of this service shall be *one year for each academic year he or she is a scholarship recipient.* (Section 10 of the Act)

b) Service as a podiatric physician shall begin no later than 30 days after the recipient is licensed to practice podiatric medicine. The Department shall defer service until the recipient completes a podiatric care residency; service shall begin no later than 30 days after the recipient completes the residency.

c) The recipient's internship, residency or other advanced clinical training does not qualify as service repayment of the scholarship obligation.

d) The scholarship recipient shall submit a written request to the Department for approval for a proposed practice location. The Department shall provide approval or disapproval, in the form of a letter, to the scholarship recipient, based on the requirements of this Section. A letter of approval shall include a description of the terms of the service obligation.

1) Without prior written approval from the Department, time in practice at such a location shall not meet the scholarship recipient's service obligation.

2) The scholarship recipient may request approval for a practice location up to 18 months preceding the time that practice at the location is to begin.

3) Approval for a practice location is granted for the duration of the scholarship recipient's service obligation.

e) The scholarship recipient's practice shall meet the following requirements:

1) Be located in a designated shortage area;

2) Be a full-time, office-based practice providing direct patient care; and

3) Provide continuous service at the rate of 12 months for each academic year of podiatric medical school supported by the scholarship.

f) Scholarship recipients may relocate to another practice location, or practice in more than one location, if the Department grants prior written approval.

g) Scholarship recipients shall enter into a written contract with the Department that describes the terms of the service obligation and contains provisions for enforcement of the contract.

h) *Scholarship recipients who fail to fulfill their obligation to practice in designated shortage areas shall pay to the Department a sum equal to 3 times the amount of the annual scholarship grant for each year the recipient fails to fulfill that obligation.* (Section 30 of the Act) This sum represents the fair market value of services lost by the State of Illinois.

1) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within a period of time equal to the recipient's service term, or remaining portion of the term, or as otherwise agreed to by the recipient and the Department, in writing.

2) The recipient and Department shall enter into a written contract that describes the terms of the repayment and contains provisions for enforcement of the contract.

i) If a scholarship recipient fails to pay monies owed the Department, the Department may refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney.

(Source: Amended at 35 Ill. Reg. 4591, effective March 2, 2011)