

AN ACT concerning education.

WHEREAS, The General Assembly finds and recognizes that there is a shortage of psychiatrists in designated shortage areas within this State; therefore

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 1. Short title. This Act may be cited as the Psychiatry Practice Incentive Act.

Section 5. Purpose. The purpose of this Act is to establish a program in the Department of Public Health to ensure access to psychiatric health care services for all citizens of the State, by establishing programs of grants, loans, and loan forgiveness to recruit and retain psychiatric service providers in designated areas of the State for physicians who will agree to establish and maintain psychiatric practice in areas of the State demonstrating the greatest need for more psychiatric care. The program shall encourage licensed psychiatrists to locate in areas where shortages exist and to increase the total number of such physicians in the State.

Section 10. Definitions. In this Act, unless the context otherwise requires:

"Department" means the Department of Public Health.

"Director" means the Director of Public Health.

"Designated shortage area" means an area designated by the Director as a psychiatric or mental health physician shortage area, as defined by the United States Department of Health and Human Services or as further defined by the Department to enable it to effectively fulfill the purpose stated in Section 5 of this Act. Such areas may include the following:

- (1) an urban or rural area that is a rational area for the delivery of health services;
- (2) a population group; or
- (3) a public or nonprofit private medical facility.

"Eligible medical student" means a person who meets all of the following qualifications:

- (1) He or she is an Illinois resident at the time of application for assistance under the program established by this Act.
- (2) He or she is studying medicine in a medical school located in Illinois.
- (3) He or she exhibits financial need, as determined by the Department.
- (4) He or she agrees to practice full time in a designated shortage area as a psychiatrist for one year for each year that he or she receives assistance under this Act.
- (5) He or she agrees to accept medical payments, as

defined in this Act, and to serve targeted populations.

"Medical facility" means a facility for the delivery of health services. "Medical facility" includes a hospital, State mental health institution, public health center, outpatient medical facility, rehabilitation facility, long-term care facility, federally-qualified health center, migrant health center, community health center, community mental health center, or State correctional institution.

"Medical payments" means compensation provided to physicians for services rendered under Article V of the Illinois Public Aid Code.

"Medically underserved area" means an urban or rural area designated by the Secretary of the United States Department of Health and Human Services as an area with a shortage of personal health services or as otherwise designated by the Department of Public Health.

"Medically underserved population" means (i) the population of an urban or rural area designated by the Secretary of the United States Department of Health and Human Services as an area with a shortage of personal health services, (ii) a population group designated by the Secretary of the United States Department of Health and Human Services as having a shortage of personal health services, or (iii) as otherwise designated by the Department of Public Health.

"Psychiatric physician" means a person licensed to practice medicine in all of its branches under the Medical

Practice Act of 1987 with board eligibility or certification in the specialty of psychiatry, as defined by recognized standards of professional medical practice.

"Psychiatric practice residency program" means a program accredited by the Residency Review Committee for Psychiatry of the Accreditation Council for Graduate Medical Education or the American Osteopathic Association.

"Targeted populations" means one or more of the following: (i) a medically underserved population, (ii) persons in a medically underserved area, (iii) an uninsured population of this State, and (iv) persons enrolled in a medical program administered by the Illinois Department of Healthcare and Family Services.

"Uninsured population" means persons who (i) do not own private health care insurance, (ii) are not part of a group insurance plan, and (iii) are not eligible for any State or federal government-sponsored health care program.

Section 15. Powers and duties of the Department. The Department shall have all of the following powers and duties:

(1) To allocate funds to psychiatric practice residency and child and adolescent fellowship programs according to the following priorities:

(A) to increase the number of psychiatric physicians in designated shortage areas;

(B) to increase the percentage of psychiatric

physicians establishing practice within the State upon completion of residency;

(C) to increase the number of accredited psychiatric practice residencies within the State; and

(D) to increase the percentage of psychiatric practice physicians establishing practice within the State upon completion of residency.

(2) To determine the procedures for the distribution of the funds to psychiatric residency programs, including the establishment of eligibility criteria in accordance with the following guidelines:

(A) preference for programs that are to be established at locations that exhibit potential for extending psychiatric practice physician availability to designated shortage areas;

(B) preference for programs that are located away from communities in which medical schools are located; and

(C) preference for programs located in hospitals that have affiliation agreements with medical schools located within the State.

In distributing such funds, the Department may also consider as secondary criteria whether or not a psychiatric practice residency program has (i) adequate courses of instruction in the child and adolescent behavioral disorder sciences; (ii) availability and systematic

utilization of opportunities for residents to gain experience through local health departments, community mental health centers, or other preventive or occupational medical facilities; (iii) a continuing program of community oriented research in such areas as risk factors in community populations; (iv) sufficient mechanisms for maintenance of quality training, such as peer review, systematic progress reviews, referral system, and maintenance of adequate records; and (v) an appropriate course of instruction in societal, institutional, and economic conditions affecting psychiatric practice.

(3) To receive and disburse federal funds in accordance with the purpose stated in Section 5 of this Act.

(4) To enter into contracts or agreements with any agency or department of this State or the United States to carry out the provisions of this Act.

(5) To coordinate the psychiatric residency grants program established under this Act with other student assistance and residency programs administered by the Department and the Board of Higher Education under the Health Services Education Grants Act.

(6) To design and coordinate a study for the purpose of assessing the characteristics of practice resulting from the psychiatric practice residency programs including, but not limited to, information regarding the nature and scope of practices, location of practices, years of active

practice following completion of residency and other information deemed necessary for the administration of this Act.

(7) To establish a program, and the criteria for such program, for the repayment of the educational loans of physicians who agree to (i) serve in designated shortage areas for a specified period of time, no less than 3 years, (ii) accept medical payments, as defined in this Act, and (iii) serve targeted populations to the extent required by the program. Payments under this program may be made for the principal, interest, and related expenses of government and commercial loans received by the individual for tuition expenses and all other reasonable educational expenses incurred by the individual. Payments made under this provision are exempt from State income tax, as provided by law.

(8) To require psychiatric practice residency programs seeking grants under this Act to make application according to procedures consistent with the priorities and guidelines established in items (1) and (2) of this Section.

(9) To adopt rules and regulations that are necessary for the establishment and maintenance of the programs required by this Act.

Section 20. Application requirement; ratio of State

support to local support. Residency programs seeking funds under this Act must make application to the Department. The application shall include evidence of local support for the program, either in the form of funds, services, or other resources. The ratio of State support to local support shall be determined by the Department in a manner that is consistent with the purposes of this Act, as set forth in Section 5 of this Act. In establishing such ratio of State support to local support, the Department may vary the amount of the required local support depending upon the criticality of the need for more professional health care services, the geographic location, and the economic base of the designated shortage area.

Section 25. Study participation. Residency programs qualifying for grants under this Act shall participate in the study required in item (6) of Section 15 of this Act.

Section 30. Illinois Administrative Procedure Act. The Illinois Administrative Procedure Act is hereby expressly adopted and incorporated herein as if all of the provisions of such Act were included in this Act.

Section 35. Annual report. The Department shall annually report to the General Assembly and the Governor the results and progress of all programs established under this Act on or

before March 15.

The annual report to the General Assembly and the Governor must include the impact of programs established under this Act on the ability of designated shortage areas to attract and retain physicians and other health care personnel. The report shall include recommendations to improve that ability.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader, and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of the General Assembly Organization Act, and by filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

Section 40. Penalty for failure to fulfill obligation. Any recipient of assistance under this Act who fails to fulfill his or her obligation to practice full-time in a designated shortage area as a psychiatrist for one year for each year that he or she is a recipient of assistance shall pay to the Department a sum equal to 3 times the amount of the assistance provided for each year that the recipient fails to fulfill such obligation. A recipient of assistance who fails to fulfill his or her practice obligation shall have 30 days after the date on

which that failure begins to enter into a contract with the Department that sets forth the manner in which that sum is required to be paid. The amounts paid to the Department under this Section shall be deposited into the Community Health Center Care Fund and shall be used by the Department to improve access to primary health care services as authorized by subsection (a) of Section 2310-200 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois (20 ILCS 2310/2310-200).

The Department may transfer to the Illinois Finance Authority, into an account outside of the State treasury, moneys in the Community Health Center Care Fund as needed, but not to exceed an amount established by rule by the Department to establish a reserve or credit enhancement escrow account to support a financing program or a loan or equipment leasing program to provide moneys to support the purposes of subsection (a) of Section 2310-200 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois (20 ILCS 2310/2310-200). The disposition of moneys at the conclusion of any financing program under this Section shall be determined by an interagency agreement.