



Virginia
Regulatory
Town Hall

**Notice of Intended Regulatory Action
Agency Background Document**

Agency Name:	Department of Health (State Board of)
VAC Chapter Number:	12 VAC 5-508
Regulation Title:	Regulations Governing the Virginia Physician Loan Repayment Program
Action Title:	Adoption of regulations to administer a medical loan repayment program
Date:	October 15, 2000

This information is required prior to the submission to the Registrar of Regulations of a Notice of Intended Regulatory Action (NOIRA) pursuant to the Administrative Process Act § 9-6.14:7.1 (B). Please refer to Executive Order Twenty-Five (98) and Executive Order Fifty-Eight (99) for more information.

Purpose

Please describe the subject matter and intent of the planned regulation. This description should include a brief explanation of the need for and the goals of the new or amended regulation.

These regulations set forth the criteria for eligibility for the Virginia Medical Loan Repayment Program for physicians, psychiatrists, nurse practitioners, and physician assistants; the general terms and conditions applicable to the obligation of each loan repayment recipient to practice in a Virginia Medically Underserved Area (VMUA), as identified by the Board of Health by regulation or a federal Health Professional Shortage Area (HPSA) in Virginia, designated by the federal Bureau of Primary Health Care, Health Resources Administration; and penalties for a recipient's failure to fulfill the practice requirements of the Virginia Medical Loan Repayment Program.

Basis

Please identify the state and/or federal source of legal authority to promulgate the contemplated regulation. The discussion of this authority should include a description of its scope and the extent to which the authority is mandatory or discretionary. The correlation between the proposed regulatory

action and the legal authority identified above should be explained. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided.

Legal authority to promulgate this regulation is found in §32.1-122.6:1 of the Code of Virginia and the Appropriation Act of 2000, Item 300 A. The scope of this authority involves a directive to implement regulations to implement and administer a loan repayment program for physicians, psychiatrists, and medical students willing to practice their profession in designated medically underserved areas of the Commonwealth in exchange for payment of their medical educational loans.

See the following web site addresses <http://leg1.state.va.us/000/lst/LS602282.htm>, Code of Virginia site, and <http://leg1.state.va.us/001/bud/SubCom/HB30.pdf>, Appropriation Act site.

Substance

Please detail any changes that would be implemented: this discussion should include a summary of the proposed regulatory action where a new regulation is being promulgated; where existing provisions of a regulation are being amended, the statement should explain how the existing regulation will be changed. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of citizens. In addition, a statement delineating any potential issues that may need to be addressed as the regulation is developed shall be supplied.

The loan repayment program has never been implemented because funding, until now, was not available. The Appropriation Act of 2000, Item 300 C. provides use of unexpended scholarship funds for this program. The program will provide a positive incentive to recruit for primary care physicians, psychiatrists, and medical students in designated medically underserved areas or in designated state institutions of the Commonwealth. Therefore, citizens of underserved areas can stay within their communities for health care, communities will be strengthened by having health practitioners living and working in their area, and state institutions seeking practitioners will have a pool of applicants to recruit from.

Alternatives

Please describe, to the extent known, the specific alternatives to the proposal that have been considered or will be considered to meet the essential purpose of the action.

Since this regulatory action is necessary to implement a program and to adopt regulations within 280 days, as called for by law, the agency enjoys no discretion in doing so; no alternatives to regulation, therefore, have been considered.

This agency chose to model the regulations after federal regulations governing a successful loan repayment program this agency administers through a grant from the National Health Service Corps (NHSC), see 42 CFR 62, Subpart C. Because there is now funding for a state loan

repayment program, the agency has chosen to use one application package for both programs. This method of applying for either program has been determined to be less burdensome for applicants. When an application is received, the agency makes the determination of which program the applicant will participate in.

Family Impact Statement

Please provide a preliminary analysis of the potential impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

Overall, this emergency action will have a positive impact on the institution of the family and family stability. Placing medical practitioners in designated underserved communities will save disposable family income by reducing travel costs associated with seeking medical care, advice and treatment. Individuals will be more likely seek care for their children, their parents, or themselves when needed, because they will miss less time from work.