

3
4 **Substitute for HOUSE BILL No. 2057**

5
6 By Committee on Health and Human Services

7
8 2-27

9
10 AN ACT concerning medical scholarships and loans; concerning medi-
11 cally underserved areas; amending K.S.A. 65-2811a, 76-379, 76-383
12 and 76-384 and K.S.A. 2001 Supp. 74-32,132, 76-375, 76-381 and 76-
13 385 and repealing the existing sections; also repealing K.S.A. 76-373,
14 76-374, 76-377, 76-377a and K.S.A. 2001 Supp. 76-376.

15
16 *Be it enacted by the Legislature of the State of Kansas:*

17 Section 1. K.S.A. 2001 Supp. 76-375 is hereby amended to read as
18 follows: 76-375. ~~(a) On or before December 31 in each year, the chan-~~
19 ~~cellor of the university of Kansas, or the designee of the chancellor sec-~~
20 ~~retary of health and environment, shall prepare a list of the areas of this~~
21 ~~state which the chancellor, or designee of the chancellor, secretary de-~~
22 ~~termines to be critically medically underserved areas by specialty and the~~
23 ~~areas of this state which the chancellor, or designee of the chancellor,~~
24 ~~determines to be medically underserved areas by specialty. In preparing~~
25 ~~such a list the chancellor, or designee of the chancellor, shall consult with~~
26 ~~the medical scholarship advisory committee. All state medical care facil-~~
27 ~~ities or institutions, all medical centers operated in the state of Kansas by~~
28 ~~the veterans administration of the United States, and all full-time faculty~~
29 ~~positions at the university of Kansas school of medicine in family medicine~~
30 ~~or family practice are qualified for service in both service commitment~~
31 ~~area I and service commitment area II without being determined medi-~~
32 ~~cally underserved areas. In preparing such a list, the portion of time of~~
33 ~~persons engaged in the practice of medicine and surgery at any institution~~
34 ~~under the jurisdiction and control of the secretary of social and rehabil-~~
35 ~~itation services shall not be included in determining whether an area is~~
36 ~~critically medically underserved or medically underserved. Every such list~~
37 ~~shall note that all state medical care facilities or institutions qualify for~~
38 ~~such service commitments, in addition to listing those areas determined~~
39 ~~to be critically medically underserved or medically underserved. Critically~~
40 ~~medically underserved areas by specialty and medically underserved areas~~
41 ~~by specialty Medically underserved areas established prior to the effective~~
42 ~~date of this act by the secretary of health and environment chancellor of~~
43 ~~the university of Kansas, or the designee of the chancellor, shall continue~~

1 in effect for the purposes of this act until changed by the chancellor of
2 the university of Kansas, or the designee of the chancellor *secretary of*
3 *health and environment*. The chancellor of the university of Kansas, or
4 the designee of the chancellor, upon a finding of exceptional circum-
5 stances, may modify areas or portions of areas determined to be critically
6 medically underserved or medically underserved by specialty.

7 —(b) (1) A service commitment area shall be designated as a service
8 commitment area I or a service commitment area II. Service commitment
9 area I shall be any area determined by the chancellor of the university of
10 Kansas, or the designee of the chancellor, under subsection (a) to be, for
11 purposes of all agreements entered into under K.S.A. 76-374 and amend-
12 ments thereto, a medically underserved area or a critically medically un-
13 derserved area. Service commitment area II shall be, for purposes of all
14 agreements entered into under K.S.A. 76-374 and amendments thereto,
15 the state of Kansas.

16 —(2) The service commitment area I or II for persons first awarded
17 scholarships after December 31, 1985, shall be an incorporated city of
18 this state as specified in subsection (d)(2) of K.S.A. 76-374 and amend-
19 ments thereto, all state medical care facilities or institutions, all medical
20 centers operated in the state of Kansas by the veterans administration of
21 the United States, and the full-time faculty positions at the university of
22 Kansas school of medicine in general internal medicine, general pediatri-
23 cians, family medicine or family practice, except that, at the time any person
24 commences satisfying a service commitment under this subsection as a
25 full-time faculty member, the number of persons satisfying service com-
26 mitments or service obligations, pursuant to agreements under K.S.A. 76-
27 374 and amendments thereto or the medical student loan act, as full-time
28 faculty members pursuant to this subsection shall not exceed the number
29 equal to 25% of the total number of full-time faculty members of the
30 university of Kansas school of medicine in general internal medicine, gen-
31 eral pediatrics, family medicine or family practice.

32 —(c) In selecting a service commitment area I or II, whichever is ap-
33 plicable, prior to the commencement of the full-time practice of medicine
34 and surgery pursuant to all agreements entered into under K.S.A. 76-374
35 and amendments thereto requiring service for a period of time in a service
36 commitment area I or II, whichever is applicable, the person so selecting
37 shall select such area from among those areas appearing on the list of
38 areas prepared by the chancellor of the university of Kansas, or the des-
39 igned of the chancellor, under this section. The service commitment area
40 selected shall have appeared on any such list not more than 36 months
41 prior to the commencement of such full-time practice of medicine and
42 surgery by the person selecting such service commitment area. Upon the
43 selection of such service commitment area, the person so selecting shall

1 inform the university of Kansas school of medicine of the area selected.
2 —(d)—A person serving in a service commitment area I or II, whichever
3 is applicable, pursuant to any agreement under this act may serve all or
4 part of any commitment in the service commitment area initially selected
5 by such person. If such person moves from one service commitment area
6 I or II to another service commitment area I or II, as applicable, such
7 person shall notify the university of Kansas school of medicine of such
8 person's change of service commitment area. Service in any such service
9 commitment area I or II, as applicable, selected from the appropriate lists
10 of service commitment areas, shall be deemed to be continuous for the
11 purpose of satisfying any agreement entered into under this act. Any
12 service commitment area I or II, as applicable, selected after the initially
13 selected service commitment area I or II shall have appeared on a service
14 commitment area I list or on a service commitment area II list, as appli-
15 cable, which shall have been prepared not more than 12 months prior to
16 the move by such person from one service commitment area I or II to
17 another service commitment area I or II, as applicable.
18 —(e) (1) A person awarded a scholarship prior to January 1, 1986, may
19 satisfy the obligation to engage in the full-time practice of medicine and
20 surgery in a service commitment area I even though such person is en-
21 gaged in such practice in two or more locations within the state of Kansas,
22 at least one of which is not located in a service commitment area I, if the
23 person is engaged in the full-time practice of medicine and surgery in
24 such locations pursuant to a practice affiliation agreement approved by
25 the chancellor of the university of Kansas, or the designee of the
26 chancellor.
27 —(2) A person awarded a scholarship prior to January 1, 1986, may
28 satisfy the obligation to engage in the full-time practice of medicine and
29 surgery in either service commitment area I or service commitment area
30 II by performing at least 100 hours per month of on-site primary care as
31 defined in K.S.A. 76-374 and amendments thereto at a medical facility
32 operated by a local health department or nonprofit organization in this
33 state serving medically indigent persons. As used in this paragraph, "med-
34 ically indigent" means a person: (A) Who is unable to secure health care
35 because of inability to pay for all or a part of the costs thereof due to
36 inadequate personal resources, being uninsured, being underinsured, be-
37 ing ineligible for governmental health benefits; or (B) who is eligible for
38 governmental benefits but is unable to obtain medical services.
39 —(3) A person awarded a scholarship prior to January 1, 1986, may
40 satisfy the obligation to engage in the full-time practice of medicine and
41 surgery in either service commitment area I or II by engaging in such
42 full-time practice of medicine and surgery, other than in a primary care
43 specialty, anywhere in the state of Kansas with the exception of the fol-

1 lowing counties: Douglas, Johnson, Leavenworth, Sedgwick, Shawnee or
2 Wyandotte, except that the full-time practice of medicine and surgery
3 within the six listed counties will qualify if the selected county is desig-
4 nated as a service commitment area I or II in accordance with the pro-
5 visions of this section, or whenever there are fewer than three persons
6 engaged in the full-time practice of medicine and surgery in a designated
7 specialty in the selected county. Any person who satisfies the obligation
8 to engage in the full-time practice of medicine and surgery in accordance
9 with this subsection (c)(3) shall remain obligated to repay the amounts
10 received for living expenses as prescribed in subsection (a)(5) of K.S.A.
11 75-376 and amendments thereto. As used in this subsection (c)(3), “pri-
12 mary care” means general pediatrics, general internal medicine or family
13 practice.

14 —(f) A person awarded a scholarship in accordance with the provisions
15 of K.S.A. 76-373 through 76-377a and amendments thereto may satisfy
16 the obligation to engage in the practice of medicine and surgery, under
17 an agreement entered into pursuant to K.S.A. 76-374 and amendments
18 thereto even though such person is engaged in practice in an area not
19 designated a medically underserved area by specialty, or a critically med-
20 ically underserved area by specialty, through employment on a part-time
21 basis by the state of Kansas which has been approved by the chancellor
22 of the university of Kansas, or the designee of the chancellor, for the
23 practice of medicine and surgery at any state medical care facility or
24 institution.

25 —(g) In connection with the determination of critically medically un-
26 derserved areas and medically underserved areas under this section, the
27 chancellor of the university of Kansas, or the designee of the chancellor,
28 shall assess annually the need in the state as a whole for medical services
29 provided by persons engaged in the practice of medicine and surgery and
30 shall report thereon annually to the legislature. Each report shall include
31 any recommendations for needed legislation, including any recom-
32 mended amendments to this act, which relate to the need for such med-
33 ical services in the various areas of this state.

34 —(h) There is hereby established the medical scholarship advisory com-
35 mittee. Members of the medical scholarship advisory committee shall be
36 appointed by the chancellor of the university of Kansas as follows: (1)
37 One member shall be from the office of the chancellor of the university
38 of Kansas; (2) one member shall be a representative of the Kansas medical
39 society; (3) one member shall be a member of the Kansas legislature; (4)
40 one member shall be a student at the university of Kansas school of med-
41 icine; and (5) one member shall be a representative of the Kansas hospital
42 association. The medical scholarship advisory committee shall meet pe-
43 riodically upon the call of the chancellor, or the designee of the chancel-

1 lor, and shall make recommendations to the chancellor, or the designee
2 of the chancellor, in regard to the administration of the provisions of this
3 act.

4 —(i) The chancellor of the university of Kansas may appoint a medical
5 scholarship program coordinator for the purpose of planning and admin-
6 istering the provisions of this act. The coordinator shall be in the unclas-
7 sified service under the Kansas civil service act.

8 —(j) For all purposes under this section, service or employment after
9 June 30, 1988, on a part-time basis (1) pursuant to a practice affiliation
10 agreement approved by the chancellor of the university of Kansas, or the
11 chancellor's designee, or (2) at a state medical care facility or institution,
12 shall be on the basis of at least the equivalent of ½ time in order to satisfy
13 the obligation to engage in the practice of medicine and surgery under
14 an agreement entered into pursuant to K.S.A. 76-374 and amendments
15 thereto.

16 —(k) As used in this section, "state medical care facility or institution"
17 includes, but is not limited to, the Kansas state school for the visually
18 handicapped, the Kansas state school for the deaf, any institution under
19 the secretary of social and rehabilitation services, as defined by subsection
20 (b) of K.S.A. 76-12a01 and amendments thereto, any institution under
21 the commissioner of juvenile justice, as defined by K.S.A. 38-1602, and
22 amendments thereto, the Kansas soldiers' home, the Kansas veterans'
23 home and any correctional institution under the secretary of corrections,
24 as defined by subsection (d) of K.S.A. 75-5202 and amendments thereto,
25 but shall not include any state educational institution under the state
26 board of regents, as defined by subsection (a) of K.S.A. 76-711 and
27 amendments thereto, except as specifically provided by statute.

28 Sec. 2. K.S.A. 76-379 is hereby amended to read as follows: 76-379.
29 Any person awarded a scholarship in accordance with the provisions of
30 K.S.A. 76-373 through 76-377a and amendments thereto may satisfy any
31 obligation to engage in the practice of medicine and surgery under any
32 agreement entered into pursuant to K.S.A. 76-374 and amendments
33 thereto by engaging in the full-time practice of medicine and surgery in
34 a service commitment area, as defined by subsection (c) of K.S.A. 76-381,
35 in lieu of an appropriate service commitment as otherwise required under
36 K.S.A. 76-373 through 76-377a and amendments thereto, but in accord-
37 ance with and subject to the other conditions and requirements pre-
38 scribed under those statutes, except that any such person, who also enters
39 into a medical student loan agreement under the medical student loan
40 act and who has not commenced the required primary care postgraduate
41 residency training program on the effective date of this act, may satisfy
42 the requirement to enter and complete an approved three-year primary
43 care residency training program under any such agreement by entering

1 and completing an approved postgraduate residency training program as
2 defined by subsection (b) of K.S.A. 76-381. The provisions of this section
3 shall apply only to residency training and the practice of medicine and
4 surgery commenced on or after the effective date of this act.

5 Sec. 3. K.S.A. 76-383 is hereby amended to read as follows: 76-383.
6 A medical student loan agreement entered into by the university of Kan-
7 sas school of medicine and an undergraduate student enrolled in or ad-
8 mitted to the university of Kansas school of medicine in a course of in-
9 struction leading to the degree of doctor of medicine for the purpose of
10 receiving a medical student loan under this act shall require that the
11 person receiving the loan:

12 (a) Complete the required course of instruction and receive the de-
13 gree of doctor of medicine and apply for, enter and complete an approved
14 postgraduate residency training program;

15 (b) apply for and obtain a license to practice medicine and surgery in
16 Kansas;

17 (c) engage in the full-time practice of medicine and surgery for a
18 period of 12 months within a service commitment area, except as other-
19 wise provided in subsection (c) of K.S.A. 76-384 *and amendments thereto*
20 for service as a full-time faculty member of the university of Kansas school
21 of medicine in family medicine or family practice;

22 (d) commence such full-time practice of medicine and surgery within
23 nine months after completion of an approved postgraduate residency
24 training program and licensure in a service commitment area and con-
25 tinue such full-time practice in such service commitment area for a con-
26 secutive period of months equal to the total number of months required
27 under the agreement;

28 (e) agree that the service commitment for each agreement entered
29 into under this act is in addition to the service commitment contained in
30 any other agreement which has been or may be entered into under this
31 act for the purpose of obtaining a medical student loan or under ~~K.S.A.~~
32 ~~76-373 through 76-377a and amendments thereto~~ *other agreements* for
33 the purpose of obtaining scholarship aid;

34 (f) maintain records and make reports to the university of Kansas
35 school of medicine to document the satisfaction of the obligation under
36 such agreement to engage in the full-time practice of medicine and sur-
37 gery within a service commitment area and to continue such full-time
38 practice in such service commitment area for a consecutive period of
39 months equal to the total number of months required under the agree-
40 ment; and

41 (g) upon failure to satisfy an agreement to engage in the full-time
42 practice of medicine and surgery within a service commitment area for
43 the required period of time under any such agreement, the person re-

1 ceiving a medical student loan under this act shall repay amounts to the
2 university of Kansas school of medicine as provided in K.S.A. 76-385 *and*
3 *amendments thereto*.

4 Sec. 4. K.S.A. 76-384 is hereby amended to read as follows: 76-384.

5 (a) Upon the selection of a service commitment area for the purposes of
6 satisfying a service obligation under a medical student loan agreement
7 entered into under this act, the person so selecting shall inform the uni-
8 versity of Kansas school of medicine of the service commitment area
9 selected.

10 (b) A person serving in a service commitment area pursuant to any
11 agreement under this act may serve all or part of any commitment in the
12 service commitment area initially selected by such person. If such person
13 moves from one service commitment area to another service commitment
14 area, such person shall notify the university of Kansas school of medicine
15 of such person's change of service commitment area. Service in any such
16 service commitment area shall be deemed to be continuous for the pur-
17 pose of satisfying any agreement entered into under this act.

18 (c) A person receiving a medical student loan under this act, may
19 satisfy the obligation to engage in the full-time practice of medicine and
20 surgery in a service commitment area if the person serves as a full-time
21 faculty member of the university of Kansas school of medicine in general
22 internal medicine, general pediatrics, family medicine or family practice
23 and serves two years for each one year of such obligation, or the equiv-
24 alent thereof on a two-for-one basis, except that, at the time any person
25 commences satisfying such service obligation as a full-time faculty mem-
26 ber pursuant to this subsection, the number of persons satisfying service
27 commitments or service obligations, pursuant to agreements under ~~K.S.A.~~
28 ~~76-374 and amendments thereto~~ or the medical student loan act, as full-
29 time faculty members pursuant to this subsection shall not exceed the
30 number equal to 25% of the total number of full-time faculty members
31 of the university of Kansas school of medicine in general internal medi-
32 cine, general pediatrics, family medicine or family practice.

33 (d) A person may satisfy the obligation to engage in the full-time
34 practice of medicine and surgery in a service commitment area by per-
35 forming at least 100 hours per month of on-site primary care ~~as defined~~
36 ~~in K.S.A. 76-374 and amendments thereto~~ at a medical facility operated
37 by a local health department or nonprofit organization in this state serving
38 medically indigent persons. As used in this subsection, "medically indi-
39 gent" means a person: (1) Who is unable to secure health care because
40 of inability to pay for all or a part of the costs thereof due to inadequate
41 personal resources, being uninsured, being underinsured, being ineligible
42 for governmental health benefits; or (2) who is eligible for governmental
43 benefits but is unable to obtain medical services; *and "primary care"*

1 *means general pediatrics, general internal medicine, family medicine and*
2 *family practice.*

3 Sec. 5. K.S.A. 65-2811a is hereby amended to read as follows: 65-
4 2811a. (a) The state board of healing arts may issue a special permit to
5 practice the appropriate branch of the healing arts, under the supervision
6 of a person licensed to practice such branch of the healing arts, to any
7 person who has completed undergraduate training in a branch of the
8 healing arts and who has not engaged in a full-time approved postgraduate
9 training program.

10 (b) Such special permit shall be issued only to a person who: (1) Has
11 made proper application for such special permit upon forms approved by
12 the state board of healing arts;

13 (2) meets all qualifications of licensure except examinations and post-
14 graduate training, as required by the Kansas healing arts act;

15 (3) is not yet but will be engaged in a full-time, approved postgrad-
16 uate training program in Kansas;

17 (4) has obtained the sponsorship of a person licensed to practice the
18 branch of the healing arts in which the applicant is training, which sponsor
19 practices in an area of Kansas which is determined under K.S.A. 76-375
20 and amendments thereto to be medically underserved ~~or critically med-~~
21 ~~ically underserved~~; and

22 (5) has paid the prescribed fees as established by the state board of
23 healing arts for the application for and granting of such special permit.

24 (c) The special permit, when issued, shall authorize the person to
25 whom the special permit is issued to practice the branch of the healing
26 arts in which such person is training under the supervision of the person
27 licensed to practice that branch of the healing arts who has agreed to
28 sponsor such special permit holder. The special permit shall not authorize
29 the person holding the special permit to engage in the private practice of
30 the healing arts. The holder of a special permit under this section shall
31 not charge patients a fee for services rendered but may be compensated
32 directly by the person under whose supervision and sponsorship the per-
33 mit holder is practicing. The special permit shall expire on the day the
34 person holding the special permit becomes engaged in a full-time, ap-
35 proved postgraduate training program or one year from its date of issu-
36 ance, whichever occurs first.

37 (d) This section shall be part of and supplemental to the Kansas heal-
38 ing arts act.

39 Sec. 6. K.S.A. 2001 Supp. 74-32,132 is hereby amended to read as
40 follows: 74-32,132. As used in this act:

41 (a) “Committee” means the nursing service scholarship review com-
42 mittee established under K.S.A. 74-3299, and amendments thereto.

43 (b) “Executive officer” means the chief executive officer of the state

1 board of regents appointed under K.S.A. 2001 Supp. 74-3203a, and
2 amendments thereto.

3 (c) “Educational and training program for advanced registered nurse
4 practitioners” means a post-basic nursing education program a graduate
5 of which meets the education requirements of the board of nursing for a
6 certificate of qualification as an advanced registered nurse practitioner.

7 (d) “Medically underserved area” means a practice location desig-
8 nated medically underserved by the ~~state board of regents~~ *secretary of*
9 *health and environment*.

10 (e) “Rural area” means any county of this state other than Douglas,
11 Johnson, Sedgwick, Shawnee and Wyandotte counties.

12 Sec. 7. K.S.A. 2001 Supp. 76-381 is hereby amended to read as fol-
13 lows: 76-381. As used in K.S.A. 76-380 through 76-386 and amendments
14 thereto:

15 (a) “Act” means the medical student loan act;

16 (b) “approved postgraduate residency training program” means a res-
17 idency training program in general pediatrics, general internal medicine,
18 family medicine, family practice, ~~child psychiatry~~ or emergency
19 medicine;

20 (c) “service commitment area” means (1) any community within any
21 county in Kansas other than Douglas, Johnson, Sedgwick, Shawnee or
22 Wyandotte county, (2) any state medical care facility or institution, (3)
23 any medical center operated by the veterans administration of the United
24 States, or (4) the full-time faculty of the university of Kansas school of
25 medicine in family medicine or family practice; and

26 (d) “state medical care facility or institution” includes, but is not lim-
27 ited to, the Kansas state school for the visually handicapped, the Kansas
28 state school for the deaf, any institution under the secretary of social and
29 rehabilitation services, as defined by subsection (b) of K.S.A. 76-12a01
30 and amendments thereto, any institution under the commissioner of ju-
31 venile justice as defined by K.S.A. 38-1602, and amendments thereto, the
32 Kansas soldiers’ home, the Kansas veterans’ home and any correctional
33 institution under the secretary of corrections, as defined by subsection
34 (d) of K.S.A. 75-5202 and amendments thereto, but shall not include any
35 state educational institution under the state board of regents, as defined
36 by subsection (a) of K.S.A. 76-711 and amendments thereto, except as
37 specifically provided by statute.

38 Sec. 8. K.S.A. 2001 Supp. 76-385 is hereby amended to read as fol-
39 lows: 76-385. (a) (1) Except as otherwise provided in paragraphs (2), (3),
40 (4) and (5) of this subsection (a) or in K.S.A. 76-386, and amendments
41 thereto, upon the failure of any person to satisfy the obligation to engage
42 in the full-time practice of medicine and surgery within a service com-
43 mitment area of this state for the required period of time under any

1 medical student loan agreement entered into under this act, such person
2 shall repay to the university of Kansas school of medicine in accordance
3 with subsection (b) an amount equal to the total of (A) the amount of
4 money received by such person pursuant to such agreement, or the
5 amount of money determined under rules and regulations of the univer-
6 sity of Kansas plus (B) annual interest at a rate of 15% from the date such
7 money was received.

8 (2) Any person who fails to apply for and enter an approved post-
9 graduate residency training program shall be required to repay all moneys
10 received pursuant to an agreement entered into for any such medical
11 student loan, plus accumulated interest at an annual rate of 15% and shall
12 commence such repayment in accordance with subsection (b) within 90
13 days of graduation from the school of medicine or upon termination or
14 completion of a residency training program which does not comply with
15 the provisions of this act, whichever is later.

16 (3) If at any time a person is failing to satisfy an obligation to engage
17 in the full-time practice of medicine and surgery in Kansas for the re-
18 quired period of time under an agreement entered into under this act
19 because such person is engaged in the full-time practice of medicine and
20 surgery in a state other than Kansas, or within Kansas in an area that is
21 not a service commitment area or in the practice of medicine and surgery
22 which does not otherwise comply with the agreement entered into under
23 this act, and if such person is subject to or currently making repayments
24 under this section and if such person subsequently commences the prac-
25 tice of medicine and surgery in this state which is in a service commitment
26 area or which otherwise complies with the agreement entered into under
27 this act, the balance of the repayment amount, including interest thereon,
28 from the time of such commencement of practice until the obligation of
29 such person is satisfied, or until the time such person again becomes
30 subject to repayments, shall be waived. All repayment amounts due prior
31 to such commencement of practice, including interest thereon, shall con-
32 tinue to be payable as provided in this section. If subsequent to such
33 commencement of practice, the person fails to satisfy such obligation, the
34 person again shall be subject to repayments, including interest thereon,
35 as otherwise provided in this section.

36 (4) If, during the time a person is satisfying the service requirement
37 of an agreement entered into under this act, such person desires to engage
38 in less than the full-time practice of medicine and surgery within a service
39 commitment area of the state and remain in satisfaction of such service
40 requirement, such person may make application to the chancellor of the
41 university of Kansas or the designee of the chancellor for permission to
42 engage in less than such full-time practice of medicine and surgery. Upon
43 a finding of exceptional circumstances made by the chancellor of the

1 university of Kansas, or the designee of the chancellor, such person may
2 be authorized to engage in less than the full-time practice of medicine
3 and surgery within a service commitment area of the state for the re-
4 maining required period of time under such agreement and for an ad-
5 ditional period of time which shall be equal to the length of the originally
6 required period of time multiplied by the decimal fraction which is equal
7 to the reduction of the full-time practice of medicine and surgery to be
8 authorized hereunder, multiplied by two. In any such determination of
9 the period required to be engaged in the less than full-time practice of
10 medicine and surgery, the decimal fraction utilized shall not exceed .5
11 and any person granted permission to engage in less than the full-time
12 practice of medicine and surgery in accordance with the provisions of this
13 paragraph (4) shall be required to engage in at least the half-time practice
14 of medicine and surgery.

15 (5) Any person who enters but fails to complete an approved post-
16 graduate residency training program, or who enters and completes an
17 approved postgraduate residency training program but fails to satisfy the
18 obligation to engage in the full-time practice of medicine and surgery
19 within a service commitment area of this state for the required period of
20 time shall be required to repay all money received pursuant to an agree-
21 ment entered into under this act a medical student loan, plus accumulated
22 interest at an annual rate of 15% and shall commence such repayment in
23 accordance with subsection (b) within 90 days of failure to complete an
24 approved postgraduate residency training program or 90 days of failure
25 to commence qualifying practice, whichever occurs first.

26 (b) For any repayment requirement under this section, the person
27 shall repay an amount totaling the entire amount to be repaid under all
28 such agreements for which such obligations are not satisfied, including
29 all amounts of interest at the rate prescribed. The repayment shall be
30 made in not more than 10 equal annual installment payments.

31 (c) All installment payments under this section shall commence six
32 months after the date of the action or circumstance that causes the failure
33 of the person to satisfy the obligations of such agreements, as determined
34 by the university of Kansas school of medicine based upon the circum-
35 stances of each individual case. In all cases, if an installment payment
36 becomes 91 days overdue, the entire amount outstanding shall become
37 immediately due and payable, including all amounts of interest at the rate
38 prescribed.

39 (d) The total repayment obligation imposed under all agreements en-
40 tered into under this act may be satisfied by the person who entered into
41 the agreements at any time prior to graduation from the university of
42 Kansas school of medicine by making a single lump-sum payment equal
43 to the total of (1) the entire amount to be repaid under all such agree-

1 ments upon failure to satisfy the obligations under such agreements to
2 practice in Kansas, plus (2) all amounts of interest thereon at the rate
3 prescribed to the date of payment.

4 (e) The university of Kansas school of medicine shall remit all moneys
5 received under this section to the state treasurer in accordance with the
6 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
7 each such remittance, the state treasurer shall deposit the entire amount
8 in the state treasury to the credit of the medical ~~scholarship and~~ loan
9 repayment fund.

10 (f) *There is hereby created in the state treasury the medical loan re-*
11 *payment fund. All expenditures from the medical loan repayment fund*
12 *shall be for medical student loans under the medical student loan act and*
13 *for the expenses of administration of the medical student loan act and*
14 *shall be made in accordance with appropriation acts upon warrants of*
15 *the director of accounts and reports pursuant to vouchers approved*
16 *by the chancellor of the university of Kansas or by a person designated*
17 *by the chancellor. On the effective date of this act, the director of accounts*
18 *and reports shall transfer all moneys in the medical scholarship and loan*
19 *repayment fund to the medical loan repayment fund. On the effective date*
20 *of this act, all liabilities of the medical scholarship and loan repayment*
21 *fund are hereby imposed on the medical loan repayment fund and the*
22 *medical scholarship and loan repayment fund is hereby abolished. When-*
23 *ever the medical scholarship and loan repayment fund, or words of like*
24 *effect, is referred to or designated by any statute, contract or other doc-*
25 *ument, such reference or designation shall be deemed to apply to the*
26 *medical loan repayment fund.*

27 Sec. 9. K.S.A. 65-2811a, 76-373, 76-374, 76-377, 76-377a, 76-379,
28 76-383 and 76-384 and K.S.A. 2001 Supp. 74-32,132, 76-375, 76-376, 76-
29 381 and 76-385 are hereby repealed.

30 Sec. 10. This act shall take effect and be in force from and after its
31 publication in the statute book.

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