
SENATE BILL 5502

State of Washington

61st Legislature

2009 Regular Session

By Senators Keiser, Pflug, Franklin, Murray, Roach, Marr, Kohl-Welles, and Shin

Read first time 01/23/09. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to primary care physician training; amending RCW
2 28B.15.020; adding new sections to chapter 70.112 RCW; adding a new
3 section to chapter 28B.20 RCW; and adding a new chapter to Title 28B
4 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** INTENT. The legislature finds that there is
7 a critical shortage of primary care physicians in the state especially
8 in rural areas. Primary care physicians operate as the entry point
9 into the health care system and as such play a vital role in improving
10 quality and controlling the costs of health care. It is the
11 legislature's intent to create incentives for medical school students
12 to choose primary care practice for their medical careers.

13 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
14 section apply throughout this chapter unless the context clearly
15 requires otherwise.

16 (1) "Conditional tuition waiver" means a loan that is forgiven in
17 whole or in part if the recipient renders service as a primary care
18 physician in this state.

1 (2) "Eligible student" means a resident student, as defined in RCW
2 28B.15.012, who is registered for at least six credit hours or the
3 equivalent, is making satisfactory academic progress as defined by the
4 university, has declared primary care medicine for his or her major,
5 and has a declared intention to practice primary care medicine in the
6 state of Washington.

7 (3) "Forgiven" or "to forgive" or "forgiveness" means to practice
8 primary care medicine in the state of Washington in lieu of monetary
9 repayment.

10 (4) "Participant" means an eligible student who has received a
11 conditional tuition waiver under this chapter.

12 (5) "Primary care" means a physician licensed under chapter 18.71
13 RCW who is specifically trained for family practice medicine and
14 skilled in comprehensive first contact and continuing care for persons
15 with any undiagnosed sign, symptom, or health concern not limited by
16 problem origin, organ system, or diagnosis. Primary care includes
17 health promotion, disease prevention, health maintenance, counseling,
18 patient education, and diagnosis and treatment of acute and chronic
19 illness, in a variety of health care settings. Primary care is
20 performed and managed by a personal physician often collaborating with
21 other health professionals and using consultation or referral as
22 appropriate.

23 (6) "Satisfied" means paid-in-full.

24 (7) "University" means the University of Washington.

25 NEW SECTION. **Sec. 3.** PROGRAM ESTABLISHED. The primary care
26 physician conditional tuition waiver program is established. The
27 program shall be administered by the university. In administering the
28 program, the university has the following powers and duties:

29 (1) To adopt necessary rules and guidelines;

30 (2) To publicize the program;

31 (3) To collect and manage repayments from students who do not meet
32 their obligations under this chapter; and

33 (4) To solicit and accept grants and donations from public and
34 private sources for the program.

35 NEW SECTION. **Sec. 4.** SELECTION OF PARTICIPANTS--PROCESS. (1) The

1 university shall select participants based on the application process
2 conducted by the university.

3 (2) The university shall create a standard process for medical
4 school students to declare their intention to be primary care
5 physicians for the purposes of participating in the primary care
6 physician conditional tuition waiver program. Applicants accepted into
7 the program must provide the university with a signed contract
8 accepting the terms of the program.

9 (3) Students who comply with subsection (2) of this section shall be
10 awarded conditional tuition waivers under this chapter.

11 NEW SECTION. **Sec. 5.** CONTINUED ELIGIBILITY. To remain an
12 eligible student and receive continuing disbursements under the
13 program, a participant must be considered by the university to be
14 making satisfactory academic progress.

15 NEW SECTION. **Sec. 6.** AWARD OF TUITION WAIVERS--AMOUNT--DURATION.
16 The university shall award primary care physician conditional tuition
17 waivers to eligible students from the funds appropriated to the
18 university for this purpose, from assessments collected under section
19 9 of this act, from any private donations, or any other funds given to
20 the university for this program. The amount of the conditional tuition
21 waiver awarded an individual may not exceed the amount of resident
22 tuition and fees at the university incurred by an eligible student and
23 approved by a financial aid administrator at the university.
24 Participants are eligible to receive conditional tuition waivers for a
25 maximum of five years.

26 NEW SECTION. **Sec. 7.** REPAYMENT OBLIGATION--RULES. (1) A
27 participant in the conditional tuition waiver program incurs an
28 obligation to repay the tuition waiver, with interest, unless he or she
29 is employed as a primary care physician in Washington state for one
30 year for every two years of tuition received, under rules adopted by
31 the university.

32 (2) The interest rate shall be determined annually by the
33 university.

34 (3) The minimum payment shall be set by the university. The
35 maximum period for repayment is ten years, with payments of principal

1 and interest accruing quarterly commencing six months from the date the
2 participant completes or discontinues the course of study, including
3 any internship or residency in primary care medicine. Provisions for
4 deferral of payment shall be determined by the university.

5 (4) The entire principal and interest of each payment shall be
6 forgiven for each payment period in which the participant is employed
7 as a primary care physician in this state until the entire repayment
8 obligation is satisfied. Should the participant cease to be employed
9 as a primary care physician in this state before the participant's
10 repayment obligation is completed, payments on the unsatisfied portion
11 of the principal and interest shall begin the next payment period and
12 continue until the remainder of the participant's repayment obligation
13 is satisfied.

14 (5) The university is responsible for collection of repayments made
15 under this section and shall exercise due diligence in such collection,
16 maintaining all necessary records to ensure that maximum repayments are
17 made. Collection and servicing of repayments under this section shall
18 be pursued using the full extent of the law, including wage garnishment
19 if necessary. The university is responsible to forgive all or parts of
20 such repayments under the criteria established in this section and
21 shall maintain all necessary records of forgiven payments.

22 (6) Receipts from the payment of principal or interest or any other
23 subsidies to which the university as administrator is entitled, that
24 are paid by or on behalf of participants under this section, shall be
25 deposited in the primary care physician conditional tuition waiver
26 account and shall be used to cover the costs of granting the
27 conditional tuition waivers, maintaining necessary records, and making
28 collections under subsection (5) of this section. The university shall
29 maintain accurate records of these costs, and all receipts beyond those
30 necessary to pay such costs shall be used to grant conditional tuition
31 waivers to eligible students.

32 (7) The university shall adopt rules to define the terms of
33 repayment, including applicable interest rates, fees, and deferments.

34 NEW SECTION. **Sec. 8.** SPECIALTY MEDICAL EDUCATION TUITION
35 ADJUSTMENT. The university shall adjust the tuition of each student
36 who, upon admission to the university medical school, does not choose

1 to participate in the primary care physician conditional tuition waiver
2 program. The tuition adjustment to these students shall be calculated
3 to fund the cost for students who do participate.

4 NEW SECTION. **Sec. 9.** PRIMARY CARE PHYSICIAN CONDITIONAL TUITION
5 WAIVER ACCOUNT. (1) The primary care physician conditional tuition
6 waiver account is created in the custody of the state treasurer. No
7 appropriation is required for expenditures of funds from the account.
8 The account is not subject to allotment procedures under chapter 43.88
9 RCW except for moneys used for program administration.

10 (2) The university shall deposit into the account all moneys
11 received for the program. The account shall be self-sustaining and
12 consist of funds appropriated by the legislature for the primary care
13 physician conditional tuition waiver program, specialty medical
14 education tuition adjustments, private contributions to the program,
15 and receipts from participant repayments.

16 (3) Expenditures from the account may be used solely for
17 conditional tuition waivers to participants in the program established
18 by this chapter and costs associated with program administration by the
19 university.

20 (4) Disbursements from the account may be made only on the
21 authorization of the university.

22 NEW SECTION. **Sec. 10.** CAPTIONS NOT LAW. Captions used in this
23 chapter are not any part of the law.

24 **Sec. 11.** RCW 28B.15.020 and 1985 c 390 s 11 are each amended to
25 read as follows:

26 The term "tuition fees" as used in this chapter shall mean the fees
27 charged students registering at the state's colleges and universities
28 which consist of:

- 29 (1) The "building fees" as defined in RCW 28B.15.025; (~~and~~)
30 (2) The "operating fees" as defined in RCW 28B.15.031; and
31 (3) The "specialty medical education tuition adjustment"
32 established in section 8 of this act.

33 NEW SECTION. **Sec. 12.** A new section is added to chapter 70.112
34 RCW to read as follows:

1 Within funds appropriated to the department of health for this
2 purpose, and with the goal of increasing the number of family medicine
3 residency positions at community health centers, and thereby increasing
4 the number of family medicine physicians working in underserved
5 settings, a family medicine residency training grant program is
6 created. Grant funds provided for the purpose of increasing the number
7 of family medicine residency positions at community health centers
8 shall be disbursed by the department of health to at least three
9 accredited, three-year family medicine residency programs sponsored or
10 sited at community health centers in rural or urban medically
11 underserved areas. In the first year, and each subsequent year
12 thereafter, family medicine residency programs to which the grant funds
13 are awarded shall offer at least two first-year postgraduate residency
14 positions in family medicine. In the second year, and each subsequent
15 year thereafter, these family medicine residency programs shall also
16 offer at least two second-year postgraduate residency positions in
17 family medicine. In the third year, and each subsequent year
18 thereafter, these family medicine residency programs shall also offer
19 at least two third-year postgraduate residency positions in family
20 medicine.

21 NEW SECTION. **Sec. 13.** A new section is added to chapter 70.112
22 RCW to read as follows:

23 (1) The family medicine residency training account is created in
24 the custody of the state treasurer. No appropriation is required for
25 expenditures of funds from the account. The account is not subject to
26 allotment procedures under chapter 43.88 RCW except for moneys used for
27 program administration.

28 (2) The department of health shall deposit into the account all
29 moneys received from private contributions for the program. The
30 account shall be self-sustaining and consist of private contributions
31 for the family medicine residency training grant program.

32 (3) Expenditures from the account may be used solely for grants to
33 family medicine residency programs sponsored or sited in community
34 health centers in rural or urban medically underserved areas and costs
35 associated with program administration by the department of health.

36 (4) Disbursements from the account may be made only on the
37 authorization of the department of health.

1 NEW SECTION. **Sec. 14.** A new section is added to chapter 28B.20
2 RCW to read as follows:

3 Funding for graduate medical education shall be directed toward
4 residents in training in family medicine, internal medicine, and
5 pediatrics who plan to pursue primary care following their residency
6 programs.

7 NEW SECTION. **Sec. 15.** Sections 1 through 10 of this act
8 constitute a new chapter in Title 28B RCW.

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