

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 867

An Act to amend and reenact § 32.1-122.6 of the Code of Virginia; to amend the Code of Virginia by adding in Article 6 of Chapter 4 of Title 32.1 sections numbered 32.1-122.9 and 32.1-122.10; and to repeal §§ 23-35.1 through 23-35.8 of the Code of Virginia, relating to medical and dental scholarships.

[S 584]

Approved April 20, 1994

Be it enacted by the General Assembly of Virginia:

1. That § 32.1-122.6 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 6 of Chapter 4 of Title 32.1 sections numbered 32.1-122.9 and 32.1-122.10 as follows:

§ 32.1-122.6. Conditional grants for certain medical students.

A. With such funds as are appropriated for this purpose, the Board of Health shall establish annual medical scholarships for students who intend to enter the designated specialties of family practice medicine, general internal medicine, pediatrics, and obstetrics/gynecology for students in good standing at the Medical College of Virginia of Virginia Commonwealth University, the University of Virginia School of Medicine, and the Medical College of Hampton Roads. No recipient shall be awarded more than five scholarships. The amount and number of such scholarships and the apportionment of the scholarships among the medical schools shall be determined annually as provided in the appropriations act. The Commissioner shall act as fiscal agent for the Board in administration of the scholarship funds.

The governing boards of Virginia Commonwealth University, the University of Virginia, and the Medical College of Hampton Roads shall submit to the Commissioner the names of those eligible applicants who are most qualified as determined by the regulations of the Board for these medical scholarships. The Commissioner shall award the scholarships to the applicants whose names are submitted by the governing boards.

B. The Board, after consultation with the Medical College of Virginia, the University of Virginia School of Medicine, and the Medical College of Hampton Roads, shall promulgate regulations to administer this scholarship program which shall include, but not be limited to:

1. Qualifications of applicants;
2. Criteria for award of the scholarships to assure that recipients will fulfill the practice obligations established in this section;
3. Standards to assure that these scholarships increase access to primary health care for individuals who are indigent or who are recipients of public assistance;
4. Assurances that bona fide residents of Virginia, as determined by § 23-7.4, *students of economically disadvantaged backgrounds and residents of medically underserved areas* are given preference over nonresidents in determining scholarship eligibility and awards;
5. Assurances that scholarship recipients will begin medical practice in one of the designated specialties in an underserved area of the Commonwealth within two years following completion of their residencies;

6. Methods for reimbursement of the Commonwealth by recipients who fail to complete medical school or who fail to honor the obligation to engage in medical practice for a period of years equal to the number of annual scholarships received;

7. Procedures for reimbursing any recipient who has repaid the Commonwealth for part or all of any scholarship and who later fulfills the terms of his contract;

8. Procedures for transferring unused funds upon the recommendation of the Commissioner and the approval of the Department of Planning and Budget in the event any of the medical schools has not recommended the award of its full complement of scholarships by January of each year and one or both of the other medical schools has a demonstrated need for additional scholarships for that year; and

9. Reporting of data related to the recipients of the scholarships by the medical schools.

C. Prior to the award of any scholarship, the applicant shall sign a contract in which he agrees to pursue the medical course of the school nominating him for the award until his graduation or to pursue his first year of postgraduate training at the hospital or institution approved by the school nominating him for the award and upon completing a term not to exceed three years, or four years for the obstetric/gynecology specialty, as an intern or resident at an approved institution or facility intends to promptly begin and thereafter engage continuously in one of the designated specialties of medical practice in an underserved area in Virginia for a period of years equal to the number of annual scholarships received. The contract shall specify that no form of medical practice such as military service or public health service may be substituted for the obligation to practice in one of the designated specialties in an underserved area in the Commonwealth.

The contract shall provide that the applicant will not voluntarily obligate himself for more than the minimum period of military service required for physicians by the laws of the United States and that, upon completion of this minimum period of obligatory military service, the applicant will promptly begin to practice in an underserved area in one of the designated specialties for the requisite number of years. The contract shall include other provisions as considered necessary by the Attorney General and the Commissioner.

The contract may be terminated by the recipient while the recipient is enrolled in medical school upon providing notice and immediate repayment of the total amount of scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt.

D. In the event the recipient fails to maintain a satisfactory scholastic standing, the recipient may, upon certification of the Commissioner, be relieved of the obligations under the contract to engage in medical practice in an underserved area upon repayment to the Commonwealth of the total amount of scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt.

E. In the event the recipient dies or becomes permanently disabled so as not to be able to engage in the practice of medicine, the recipient or his estate may, upon certification of the Commissioner, be relieved of the obligation under the contract to engage in medical practice in an underserved area upon repayment to the Commonwealth of the total amount of scholarship funds plus interest on such amount computed at eight percent per annum from the date of receipt of scholarship funds. This obligation may be waived in whole or in part by the Commissioner in his discretion upon application by the recipient or his estate to the Commissioner with proof of hardship or inability to pay.

F. Except as provided in subsections D and E, any recipient of a scholarship who fails or refuses to fulfill his obligation to practice medicine in one of the designated specialties in an underserved area for a period of years equal to the number of annual scholarships received shall reimburse the Commonwealth three times the total amount of the scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt. If the recipient has fulfilled part of his contractual obligations by serving in an underserved area in one of the designated specialties, the total amount of the scholarship funds received shall be reduced by the amount of the annual scholarship multiplied by the number of years served.

G. The Commissioner shall collect all repayments required by this section and may establish a schedule of payments for reimbursement consistent with the regulations of the Board. No schedule of payments shall amortize the total amount due for a period of longer than two years following the completion of the recipient's postgraduate training or the recipient's entrance into the full-time practice of medicine, whichever is later. All such funds shall be transmitted to the Comptroller for deposit in the general fund. If any recipient fails to make any payment when and as due, the Commissioner shall notify the Attorney General. The Attorney General shall take such action as he deems proper. In the event court action is required to collect a delinquent scholarship account, the recipient shall be responsible for the court costs and reasonable attorneys' fees incurred by the Commonwealth in such collection.

§ 32.1-122.9. Conditional grants for certain dental students.

A. With such funds as are appropriated for this purpose, the Board of Health shall establish annual dental scholarships for students in good standing at Virginia Commonwealth University. No recipient shall be awarded more than five scholarships. The amount and number of such scholarships shall be determined annually as provided in the appropriations act. The Commissioner shall act as fiscal agent for the Board in administration of the scholarship funds.

The governing board of Virginia Commonwealth University shall submit to the Commissioner the names of those eligible applicants who are most qualified as determined by the regulations of the Board for these dental scholarships. The Commissioner shall award the scholarships to the applicants whose names are submitted by the governing board.

B. The Board, after consultation with the School of Dentistry of Virginia Commonwealth University, shall promulgate regulations to administer this scholarship program which shall include, but not be limited to:

- 1. Qualifications of applicants;*
- 2. Criteria for award of the scholarships to assure that recipients will fulfill the practice obligations established in this section;*
- 3. Standards to assure that these scholarships increase access to primary dental health care for individuals who are indigent or who are recipients of public assistance;*
- 4. Assurances that bona fide residents of Virginia, as determined by § 23-7.4, students of economically disadvantaged backgrounds and residents of underserved areas are given preference over nonresidents in determining scholarship eligibility and awards;*
- 5. Assurances that scholarship recipients will begin dental practice in an underserved area of the Commonwealth within two years following completion of their residencies;*
- 6. Methods for reimbursement of the Commonwealth by recipients who fail to complete dental school or who fail to honor the obligation to engage in dental practice for a period of years equal to the*

number of annual scholarships received;

7. Procedures for reimbursing any recipient who has repaid the Commonwealth for part or all of any scholarship and who later fulfills the terms of his contract; and

8. Reporting of data related to the recipients of the scholarships by the dental schools.

C. Prior to the award of any scholarship, the applicant shall sign a contract in which he agrees to pursue the dental course of Virginia Commonwealth University until his graduation and, upon graduation or upon completing a term not to exceed four years as an intern or resident at an approved institution or facility, to promptly begin and thereafter engage continuously in dental practice in an underserved area in Virginia for a period of years equal to the number of annual scholarships received. The contract shall specify that no form of dental practice such as military service or public health service may be substituted for the obligation to practice in an underserved area in the Commonwealth.

The contract shall provide that the applicant will not voluntarily obligate himself for more than the minimum period of military service required for dentists by the laws of the United States and that, upon completion of this minimum period of obligatory military service, the applicant will promptly begin to practice in an underserved area for the requisite number of years. The contract shall include other provisions as considered necessary by the Attorney General and the Commissioner.

The contract may be terminated by the recipient while the recipient is enrolled in dental school upon providing notice and immediate repayment of the total amount of scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt.

D. In the event the recipient fails to maintain a satisfactory scholastic standing, the recipient may, upon certification of the Commissioner, be relieved of the obligations under the contract to engage in dental practice in an underserved area upon repayment to the Commonwealth of the total amount of scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt.

E. In the event the recipient dies or becomes permanently disabled so as not to be able to engage in the practice of dentistry, the recipient or his estate may, upon certification of the Commissioner, be relieved of the obligation under the contract to engage in dental practice in an underserved area upon repayment to the Commonwealth of the total amount of scholarship funds plus interest on such amount computed at eight percent per annum from the date of receipt of scholarship funds. This obligation may be waived in whole or in part by the Commissioner in his discretion upon application by the recipient or his estate to the Commissioner with proof of hardship or inability to pay.

F. Except as provided in subsections D and E, any recipient of a scholarship who fails or refuses to fulfill his obligation to practice dentistry in an underserved area for a period of years equal to the number of annual scholarships received shall reimburse the Commonwealth three times the total amount of the scholarship funds received plus interest at the prevailing bank rate for similar amounts of unsecured debt. If the recipient has fulfilled part of his contractual obligations by serving in an underserved area, the total amount of the scholarship funds received shall be reduced by the amount of the annual scholarship multiplied by the number of years served.

G. The Commissioner shall collect all repayments required by this section and may establish a schedule of payments for reimbursement consistent with the regulations of the Board. No schedule of payments shall amortize the total amount due for a period of longer than two years following the completion of the recipient's postgraduate training or the recipient's entrance into the full-time practice of dentistry, whichever is later. All such funds shall be transmitted to the Comptroller for deposit in the general fund. If any recipient fails to make any payment when and as due, the Commissioner shall notify the Attorney General. The Attorney General shall take such action as he deems proper. In the event court action is required to collect a delinquent scholarship account, the recipient shall be responsible for the court costs and reasonable attorneys' fees incurred by the Commonwealth in such collection.

§ 32.1-122.10. Conditional grants for certain dental hygiene students.

A. The Board of Health shall establish annual dental hygiene scholarships for students who intend to enter an accredited dental hygiene program in the Commonwealth. The amounts and numbers of such scholarships shall be determined annually as provided in the appropriation act. The Commissioner shall act as fiscal agent for the Board in administration of the scholarship program.

B. To administer the scholarship program, the Board shall promulgate regulations which shall include, but are not limited to:

1. Qualifications of applicants;
2. Criteria for award of the scholarship to assure that a recipient will fulfill the practice obligations established in this section;
3. Standards to assure that these scholarships increase access to dental hygiene care for individuals who are indigent or who are recipients of public assistance;
4. Assurances that residents of Virginia, as determined by § 23-7.4, students of economically disadvantaged backgrounds and residents of medically underserved areas are given preference in determining scholarship eligibility and awards;
5. Assurances that a scholarship recipient will practice as a dental hygienist in an underserved area

of the Commonwealth within two years following completion of training;

6. Methods for reimbursement to the Commonwealth by a recipient who fails to complete the educational program or who fails to honor the obligation to engage in practice as a dental hygienist for a period of years equal to the number of annual scholarships received;

7. Procedures for reimbursing any recipient who has repaid the Commonwealth for part or all of any scholarship and who later fulfills the terms of his contract; and

8. Methods for reporting data related to the recipients of the scholarships.

2. That §§ 23-35.1 through 23-35.8 of the Code of Virginia are repealed.

3. That the procedures and criteria currently utilized by Virginia Commonwealth University to implement the provisions of §§ 23-35.1 through 23-35.8, as repealed by this act, shall remain in effect until the Board of Health promulgates regulations to implement §§ 32.1-122.9 and 32.1-122.10, as added by this act.