A bill for an act

relating to human services; increasing reimbursements to primary care physicians; determining areas of the state in need of primary care physicians; appropriating money for primary care education initiatives; proposing coding for new law in Minnesota Statutes, chapter 256B.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[256B.766] PRIMARY CARE PHYSICIANS REIMBURSEMENT RATE INCREASE.**

(a) Effective for physician services rendered on or after January 1, 2009, the commissioner shall increase reimbursements to primary care physicians deemed by the commissioner to meet the requirements in paragraph (b). Reimbursement may be increased by not more than 50 percent above the reimbursement rate that would otherwise be paid to the primary care provider. Payments to health plan companies shall be adjusted to reflect increased reimbursement to primary care physicians as approved by the commissioner.

(b) The commissioner, in collaboration with the Office of Rural Health, shall determine areas of the state in need of primary care physicians. By September 1 of each year, beginning September 1, 2008, the commissioner shall accept applications from primary care physicians who agree to practice in a designated area for a period of no less than five years. The commissioner shall determine participant eligibility based on their suitability for practice serving a designated geographic area.

(c) The commissioner may reconsider the designated areas, as necessary. A primary care physician who agrees to practice in a designated area shall receive the increased reimbursement rates for at least a period of five years, unless the physician discontinues practicing in the designated area during the five-year period.

(d) A health care clinic or medical group may submit applications under this section for primary care physicians who will be hired to fill vacancies prior to filling the vacant position.

Sec. 2. **APPROPRIATION; PRIMARY CARE EDUCATION INITIATIVES.**

(a) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Board of Regents of the University of Minnesota, to expand initiatives under Minnesota Statutes, sections 137.38 to 137.40, to increase the number of graduates of residency programs who practice primary care.

(b) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Mayo Medical Foundation for medical school initiatives to increase the number of graduates of residency programs who practice primary care.

(c) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Office of Higher Education to provide grants to schools of nursing in Minnesota to increase the number of graduates of advanced practice registered nurse programs.

(d) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Board of Regents of the University of Minnesota, to address faculty shortages in primary care medicine.

(e) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Mayo Medical Foundation, to address faculty shortages in primary care medicine.

(f) $..... is appropriated for the fiscal year ending June 30, 2009, from the health care access fund to the Office of Higher Education to provide grants to schools of nursing in Minnesota to address faculty shortages.