

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2359**

(SENATE AUTHORS: JENSEN)

DATE  
05/01/2017

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Health and Human Services Finance and Policy

1.1 A bill for an act  
1.2 relating to health; modifying the physician residency expansion grant program;  
1.3 appropriating money; amending Minnesota Statutes 2016, section 144.1506.

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

1.5 Section 1. Minnesota Statutes 2016, section 144.1506, is amended to read:

1.6 **144.1506 ~~PRIMARY-CARE~~ PHYSICIAN RESIDENCY EXPANSION GRANT**  
1.7 **PROGRAM.**

1.8 Subdivision 1. **Definitions.** For purposes of this section, the following definitions apply:

1.9 (1) "eligible ~~primary-care~~ physician residency program" means a program that meets  
1.10 the following criteria:

1.11 (i) is located in Minnesota;

1.12 (ii) trains medical residents in the specialties of family medicine, general internal  
1.13 medicine, general pediatrics, psychiatry, geriatrics, ~~or~~ general surgery, obstetrics and  
1.14 gynecology, or other physician specialties with training programs that incorporate rural  
1.15 training components; and

1.16 (iii) is accredited by the Accreditation Council for Graduate Medical Education or  
1.17 presents a credible plan to obtain accreditation;

1.18 (2) "eligible project" means a project to establish a new eligible ~~primary-care~~ physician  
1.19 residency program or create at least one new residency slot in an existing eligible ~~primary~~  
1.20 care physician residency program; and

2.1 (3) "new residency slot" means the creation of a new residency position and the execution  
2.2 of a contract with a new resident in a residency program.

2.3 Subd. 2. **Expansion grant program.** (a) The commissioner of health shall award ~~primary~~  
2.4 ~~care~~ physician residency expansion grants to eligible ~~primary-care~~ physician residency  
2.5 programs to plan and implement new residency slots. A planning grant shall not exceed  
2.6 \$75,000, and a training grant shall not exceed \$150,000 per new residency slot for the first  
2.7 year, \$100,000 for the second year, and \$50,000 for the third year of the new residency slot.

2.8 (b) Funds may be spent to cover the costs of:

2.9 (1) planning related to establishing an accredited ~~primary-care~~ physician residency  
2.10 program;

2.11 (2) obtaining accreditation by the Accreditation Council for Graduate Medical Education  
2.12 or another national body that accredits residency programs;

2.13 (3) establishing new residency programs or new resident training slots;

2.14 (4) recruitment, training, and retention of new residents and faculty;

2.15 (5) travel and lodging for new residents;

2.16 (6) faculty, new resident, and preceptor salaries related to new residency slots;

2.17 (7) training site improvements, fees, equipment, and supplies required for new ~~primary~~  
2.18 ~~care~~ physician resident training slots; and

2.19 (8) supporting clinical education in which trainees are part of a primary care team model.

2.20 Subd. 3. **Applications for expansion grants.** Eligible ~~primary-care~~ physician residency  
2.21 programs seeking a grant shall apply to the commissioner. Applications must include the  
2.22 number of new ~~primary-care~~ physician residency slots planned or under contract; attestation  
2.23 that funding will be used to support an increase in the number of available residency slots;  
2.24 a description of the training to be received by the new residents, including the location of  
2.25 training; a description of the project, including all costs associated with the project; all  
2.26 sources of funds for the project; detailed uses of all funds for the project; the results expected;  
2.27 and a plan to maintain the new residency slot after the grant period. The applicant must  
2.28 describe achievable objectives, a timetable, and roles and capabilities of responsible  
2.29 individuals in the organization.

2.30 Subd. 4. **Consideration of expansion grant applications.** The commissioner shall  
2.31 review each application to determine whether or not the residency program application is  
2.32 complete and whether the proposed new residency program and any new residency slots

3.1 are eligible for a grant. The commissioner shall award grants to support up to six family  
3.2 medicine, general internal medicine, or general pediatrics residents; four psychiatry residents;  
3.3 two geriatrics residents; ~~and two~~ four general surgery residents; two obstetrics and  
3.4 gynecology residents; and four specialty physician residents participating in training programs  
3.5 that incorporate rural training components. If insufficient applications are received from  
3.6 any eligible specialty, funds may be redistributed to applications from other eligible  
3.7 specialties.

3.8 Subd. 5. **Program oversight.** During the grant period, the commissioner may require  
3.9 and collect from grantees any information necessary to evaluate the program. Appropriations  
3.10 made to the program do not cancel and are available until expended.

3.11 Sec. 2. **APPROPRIATION.**

3.12 \$1,500,000 in fiscal year 2018 and \$1,500,000 in fiscal year 2019 are appropriated from  
3.13 the health care access fund to the commissioner of health for the physician residency  
3.14 expansion grant program under Minnesota Statutes, section 144.1506.