

1 Higher Education Coordinating Board

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3 Adopted Permanent Rules Relating to Loan Forgiveness; Rural and
4 Urban Primary Care Physicians

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6 Rules as Adopted

7 4810.3000 SCOPE.

8 Parts 4810.3010 to 4810.3070 apply to the rural and urban
9 primary care physician loan forgiveness program.

10 4810.3010 DEFINITIONS.

11 Subpart 1. Scope. The terms defined in Minnesota
12 Statutes, section 136A.1355, are applicable to parts 4810.3010
13 to 4810.3070.

14 [For text of subps 1a to 3, see M.R.]

15 Subp. 4. Underserved urban community. "Underserved urban
16 community" means a Minnesota urban area or population included
17 in the List of Designated Primary Medical Care Health
18 Professional Shortage Areas (HPSAs) ~~compiled-annually,~~ Medically
19 Underserved Areas (MUAs), or Medically Underserved Populations
20 (MUPs) maintained and updated by the United States Department of
21 Health and Human Services.

22 4810.3020 CRITERIA FOR SELECTION.

23 Subpart 1. Classification of rural physician applicants.
24 The executive director shall place rural physician applicants in
25 one of the following classifications:

- 26 A. fourth year medical students;
- 27 B. pediatric residents;
- 28 C. family practice residents; or
- 29 D. internal medicine residents.

30 Subp. 1a. Ranking. Applicants within each classification
31 itemized in subpart 1 must be ranked further in the following
32 order:

- 33 A. Minnesota residents who fulfill residency training
- 34 in Minnesota;



1 B. Minnesota residents who fulfill residency training
2 outside Minnesota;

3 C. applicants who are not Minnesota residents, but
4 fulfill residency training in Minnesota; or

5 D. applicants who are not Minnesota residents and do
6 not fulfill residency training in Minnesota.

7 Subp. 1b. **Underserved urban community applicants.**

8 Applicants seeking to practice in underserved urban communities
9 must be fourth year medical students, family practice residents,
10 pediatric residents, or internal medicine residents.

11 Subp. 2. **Insufficient award availability.** If more than 12
12 applicants agree to serve as physicians in a designated rural
13 area, the executive director shall choose participants in the
14 order specified in subpart 1a for participation. If more than
15 four applicants agree to serve as physicians in an underserved
16 urban community, the executive director shall choose
17 participants in the order specified in subpart 1a for
18 participation. Applicants not chosen to participate initially
19 must be placed on an alternate list from which additional
20 participants will be chosen if a chosen participant declines to
21 participate.

22 4810.3030 APPLICATION PROCESS.

23 [For text of subpart 1, see M.R.]

24 Subp. 3. **Application form and contract.** Prospective
25 physicians accepted into this program must complete and return
26 the application form and contract provided by the executive
27 director. The prospective physician agrees to serve at least
28 three of the first five years following residency in a
29 designated rural area or underserved urban community. Failure
30 to complete and return the application form and contract by the
31 specified deadline date results in the elimination of the
32 applicant from the rural or urban primary care classification
33 list.

34 Subp. 4. **Notification of service.** The prospective
35 physician must notify the executive director in writing

1 immediately after starting service as a physician in a
2 designated rural area or underserved urban community.

3 Subp. 5. **Agreement or promissory note.** Before any
4 payments are made by the executive director on qualified loans
5 designated by the participant, the participant must sign the
6 agreement or promissory note provided by the executive
7 director. The participant must work as a physician at least 30
8 hours per week in a designated rural area or underserved urban
9 community.

10 4810.3040 LOAN PAYMENT.

11 [For text of subps 1 to 3, see M.R.]

12 Subp. 4. **Additional payment amount.** If the amounts paid
13 by the executive director on the designated loans for a
14 participant is less than \$10,000 for a 12-month period, during
15 the 12th month the executive director will pay an additional
16 amount on the designated loans to equal \$10,000 for the 12-month
17 period. Rural physician participants who meet the requirements
18 in part 4810.3040, subpart 6, may designate an additional \$2,000
19 above the \$10,000 maximum specified in subpart 1 for each
20 applicable year of residency. The total amount paid during the
21 12-month period cannot exceed the principal and accrued interest
22 of the designated loans.

23 Subp. 5. **Discontinuation of service.** The participant must
24 reimburse the executive director for payments made during any
25 period when the participant is not serving as a physician in a
26 designated rural area or underserved urban community.

27 [For text of subp 6, see M.R.]

28 4810.3050 PENALTY FOR NONFULFILLMENT.

29 Subpart 1. **Payment amount.** If a participant fails to
30 fulfill the service requirement of this program, the amount paid
31 on designated loans by the executive director must be repaid
32 with interest at a rate established according to Minnesota
33 Statutes, section 270.75, subdivision 5. Interest accrues from
34 the date the participant ceases to practice as a physician in a
35 designated rural area or underserved urban community.

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[For text of subps 2 to 4, see M.R.]