

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Loan Repayment Assistance for Dentists
- 2) Code Citation: 77 Ill. Adm. Code 580
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
580.100	New
580.110	New
580.200	New
580.210	New
580.220	New
580.230	New
580.240	New
- 4) Statutory Authority: Loan Repayment Assistance for Dentists Act [110 ILCS 948]
- 5) A Complete Description of the Subjects and Issues Involved: Part 580 regulates the Loan Repayment Assistance for Dentists Act. The purpose of this Act is to establish a program in the Department of Public Health to increase the total number of dentists and dental specialists practicing in designated shortage areas in this State by providing educational loan repayment assistance grants to dentists and dental specialists who practice in designated shortage areas in this State and who accept low income or Medicaid patients. The rules contain the application process, criteria for determining grant recipients and penalties for noncompliance.

The economic effect of this proposed rulemaking is unknown. Therefore, the Department requests any information that would assist in calculating this effect.

The Department anticipates adoption of this rulemaking approximately six to nine months after publication of the Notice in the *Illinois Register*.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: Rules governing the designation of Health Professional Shortage Areas HPSA are important to the administration of this Act. Section 330(b)(3) of the Public Health Service Act (as amended by the Health Centers Consolidation Act of 1996, Public Law 104-299), 42 USC 254b, and for designation of Health Professional Shortage Areas (HPSAs) pursuant to section 332 of the Act (as amended by the Health Care Safety Net Amendments of 2002, Pub. L. 107-251), 42 USC 254e. Currently, regulations at 42 CFR 5 govern the procedures and criteria for designation of HPSAs.

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- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning this rulemaking within 45 days after the publication of this issue of the *Illinois Register* to:

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Illinois Department of Public Health
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Springfield, Illinois 62761

217/782-2043
e-mail: dph.rules@illinois.gov

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Dental practices
- B) Reporting, bookkeeping or other procedures required for compliance: Recipients must document that grant monies are used to pay educational loans incurred during their dental education.
- C) Types of professional skills necessary for compliance: Licensed Dentist or Dental Specialist
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2008

The full text of the Proposed Rules begins on the next page:

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TITLE 77: PUBLIC HEALTH
CHAPTER I: DEPARTMENT OF PUBLIC HEALTH
SUBCHAPTER g: GRANTS TO DENTAL AND MEDICAL STUDENTSPART 580
LOAN REPAYMENT ASSISTANCE FOR DENTISTS

SUBPART A: GENERAL PROVISIONS

Section	
580.100	Definitions
580.110	Incorporated and Referenced Materials

SUBPART B: EDUCATIONAL LOAN REPAYMENT APPLICATION,
ELIGIBILITY AND PROGRAM REQUIREMENTS

Section	
580.200	Application
580.210	Eligibility
580.220	Grant Awards
580.230	Grant Terms and Obligations
580.240	Penalty for Failure to Fulfill Obligation

AUTHORITY: Implementing and authorized by the Loan Repayment Assistance for Dentists Act [110 ILCS 948].

SOURCE: Adopted at 32 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 580.100 Definitions

"Act" means the Loan Repayment Assistance for Dentists Act [110 ILCS 948].

"Applicant" means a person who submits an application to the Department to receive a dental loan assistance grant.

"Dental Payments" means compensation provided to dentists and dental specialists for services rendered under Article V of the Illinois Public Aid Code

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[305 ILCS 5/Art. V], administered by the Illinois Department of Healthcare and Family Services (HFS). (Section 10 of the Act)

"Dental Specialist" means a person who has received a license as a dentist in this State and who is trained and qualified to practice in one or more of the following specialties of dentistry: endodontics, oral and maxillofacial surgery, orthodontics, pedodontics, periodontics, and prosthodontics. (Section 10 of the Act)

"Dentist" means a person who has received a general license pursuant to Section 11(a) of the Illinois Dental Practice Act [225 ILCS 25/11(a)], who may perform any intraoral and extraoral procedure required in the practice of dentistry, and to whom are reserved the responsibilities specified in Section 17 of the Illinois Dental Practice Act. (Section 10 of the Act)

"Department" means the Department of Public Health. (Section 10 of the Act)

"Designated Shortage Area" means a dental Health Professional Shortage Area (HPSA) as defined by the United States Department of Health and Human Services (Designation of Health Professional Shortage Areas (42 CFR 5, 51c) and the Public Health Service Act (42 USC 216, 254c)) or as otherwise designated by the Department of Public Health. (Section 10 of the Act)

"Educational Loans" means higher education student loans that a person has incurred in attending a registered professional dental education program in this State. (Section 10 of the Act)

"Full-Time Practice" means a dental practice with a 40-hour work week where at least 32 hours of the 40 hours per week are spent providing clinical services. These services shall be conducted during normally scheduled clinic hours in the ambulatory care setting offices specified in the contract. The remaining hours shall be spent providing inpatient care and/or in practice-related administrative activities. The 40 hours per week may be compressed into no fewer than four days per week, with no more than 12 hours of work to be performed in any 24-hour period. Time spent in "on-call" status will not count toward the 40-hour week. Hours worked over the required 40 hours per week will not be applied to any other work week.

"Grantee" refers to a person who is the recipient of a grant for educational loan repayment assistance under the Act and this Part.

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"HPSA Score" refers to the HSPA shortage severity score calculated by the United States Department of Health and Human Services, Bureau of Health Professionals when an HPSA is federally designated. This severity score provides a relative number of the amount of dental shortage in a geographic area.

"Low Income Person" refers to a person whose income is at or below the 200% poverty level as determined by the most recent U.S. Census Bureau's decennial census information.

"Low Income Patients" refers to the patients in the dental practice whose income is at or below the 200% poverty level as determined by the most recent U.S. Census Bureau's decennial census information

"Medical Assistance" means services for medical and dental assistance provided under Article V of the Illinois Public Aid Code.

"Medical Assistance Reimbursement Documentation" refers to the documentation of medical assistance reimbursement dollars that dentists receive from the Illinois Department of Healthcare and Family Services for dental services provided to medical assistance recipients. The Department of Healthcare and Family Services periodically provides this data to the Department.

"Program" means the educational loan repayment assistance program for dentists and dental specialists established by the Department under the Act. (Section 10 of the Act)

"Registered Professional Dental Education Program" means a dental school located in Illinois and accredited by the American Dental Association Commission on Dental Accreditation (CODA).

"Rural" means any geographic area not located in a U.S. Census Bureau Metropolitan Statistical Area; or a county located within a Metropolitan Statistical Area but having a population of 60,000 or less; or a community located within a Metropolitan Statistical Area but having a population of 2,500 or less.

"Service Area" refers to the geographic area of the HPSA.

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"Service Term" refers to the length of time that the dentist will receive loan repayment funds from the Department while serving a dental HPSA.

"Urban" means any geographic area that does not meet the rural geographic area definition in this Part.

Section 580.110 Incorporated and Referenced Materials

- a) The following Illinois statutes are referenced in this Part:
 - 1) Loan Repayment Assistance for Dentists Act [110 ILCS 948]
 - 2) Illinois Public Aid Code [305 ILCS 5]
 - 3) Illinois Dental Practice Act [225 ILCS 25]
- b) The following federal statutes are referenced in this Part:

Public Health Service Act [42 USC 216, 254b and 254e]
- c) The following federal regulations are incorporated in this Part:

Designation of Health Professional Shortage Areas (42 CFR 5, 51c) (October 1, 2007)
- d) Incorporations by reference of federal regulations refer to the regulations on the date specified and do not include any later amendments or editions.

**SUBPART B: EDUCATIONAL LOAN REPAYMENT APPLICATION,
ELIGIBILITY AND PROGRAM REQUIREMENTS****Section 580.200 Application**

- a) *The Department shall, each year, consider 4 applications for assistance under the program.* (Section 20 of the Act)
- b) Applicants shall complete an application on forms available from the Department. The applicant shall indicate the location of the dental practice in a designated shortage area where service will be performed.

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- c) Applicants shall document currently existing educational loan indebtedness to a governmental or commercial lending institution incurred for educational expenses in pursuit of the applicant's dental degree in Illinois. The documentation of indebtedness shall include a photocopy or original copy of promissory notes or other evidence of indebtedness with disclosure of the lending institution or agency, loan amount, loan period and interest rate.

Section 580.210 Eligibility

To be eligible for assistance under the program, an applicant must meet all of the following qualifications: (Section 25 of the Act)

- a) *He or she must be a citizen or permanent resident of the United States.*
- b) *He or she must be a resident of this State.*
- c) *He or she must be practicing full time in this State as a dentist or dental specialist.*
- d) *He or she must currently be repaying educational loans.*
- e) *He or she must accept dental payments as defined in the Act.*
- f) *He or she must continue full-time practice in this State in a designated shortage area for 2 years. (Section 25 of the Act)*

Section 580.220 Grant Awards

- a) *For each year that a qualified applicant who is selected as a recipient practices full time in this State in a designated shortage area as a dentist or dental specialist, the Department shall, subject to appropriation, award a grant to that person in an amount equal to the amount in educational loans that the person must repay that year. However, the total amount in grants that a person may be awarded under the program must not exceed \$25,000 per year for a 4-year period. The Department shall require recipients to use the grants to pay off their educational loans. (Section 30 of the Act)*

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- b) Payments must be used for the repayment of educational loans, including principal, interest and related expenses of government and commercial loans, received by the individual and used for tuition expenses while attending a registered professional dental education program in this State.
- c) When qualified applicants are available in both the dentists and dental specialists groups, the Department will award at least one grant to an individual in each group. Applicants will be selected with the following scoring system:
 - 1) All eligible applications will be divided into two groups:
 - A) Dentists
 - B) Dental Specialists
 - 2) Applicants in each group will be ranked by HPSA score from highest need to lowest need with highest need being awarded first.
 - 3) When qualified applicants are available, 50 percent of awards in each group will be made to urban dentists or dental specialists and 50 percent to rural dentists or dental specialists. When there are fewer than four eligible applications, the highest HPSA score not awarded from all groups will be the award recipient.
 - 4) When applicant's scores in subsections (c)(2) and (3) in each group are equal, priority for funding will be awarded to the applicant who serves the greatest number of low income patients.
- d) The Department will accept applications initially for funding between July 1 and September 30 of each year. If enough eligible applications are received, all awards will be made. However, if funds remain available, subsequent applications will be evaluated individually as received.

Section 580.230 Grant Terms and Obligations

- a) Each dentist or dental specialist selected for educational loan repayment shall enter into a written contract with the Department. The contract will describe the terms of repayment and any additional provisions that ensure compliance with the laws of the State of Illinois and enforcement of the contract.

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- b) Grantees shall complete two years of service in the underserved area designated in their application. Grantees who wish to move their practice from the location described in the recipient's original application and retain status as a recipient shall receive approval from the Department prior to relocating and shall relocate to an area that qualifies for the same or a higher HPSA score.
- c) The grantee shall provide care to a percentage of low income patients in his or her practice at least equal to the percentage of low income persons in the service area.
- d) Mandatory reporting requirements every six months include:
 - 1) The grantee shall provide documentation of the percentage of low income patients served in his or her practice. Medical assistance reimbursement documentation and practice documentation will be accepted for this purpose.
 - 2) The grantee shall provide documentation that the amount of money paid for educational loan debt is greater than or equal to the amount of money paid by the Department under this program. Cancelled checks or documentation from the lending institution will be accepted for this purpose.
- e) Two years of service in an underserved area is required for each year of funding under this program. An application for funding shall be submitted each year, for a maximum of four grant awards.

Section 580.240 Penalty for Failure to Fulfill Obligation

- a) Upon breach of contract, *loan repayment recipients shall repay the Department a sum equal to the amount received under the program, plus an annual percentage rate (APR) of 7% interest.* (Section 35 of the Act)
- b) The grantee shall repay all funds provided by the Department under this Part within a period of time equal to the grantee's service term.
- c) A breach of contract shall include, but not be limited to, the following situations:

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- 1) Failure to practice full-time *in a designated shortage area* at the location specified in the grant agreement (Section 35 of the Act);
 - 2) Relocation to an area that has a lower priority ranking as a designated shortage area;
 - 3) Material misstatement in reporting information to the Department, for example, misstating the percentage of low income patients served;
 - 4) Making any material misrepresentation to the Department for the purpose of obtaining a grant;
 - 5) Failure to practice *in a designated shortage area for two years* (Section 35 of the Act);
 - 6) Failure to fulfill other grant requirements.
- d) If the grantee does not repay all funds owed to the Department within the required time period, the Department shall refer the matter to the Attorney General for collection.