

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Podiatric Scholarship and Residency Programs Code
- 2) Code Citation: 77 Ill. Adm. Code 593
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
593.10	Amend
593.20	Amend
593.30	Amend
593.130	Amend
593.150	New
593.160	New
593.170	New
593.220	Amend
593.230	Amend
593.240	Amend
- 4) Statutory Authority: Podiatric Scholarship and Residency Act [110 ILCS 978]
- 5) A Complete Description of the Subjects and Issues Involved: Amendments are proposed for several new definitions and to include a reference to the Illinois Grant Funds Recovery Act. Specifically, Sections 593.150, 593.160, and 593.170 will be added to include recovery provisions and enhance reporting requirements. In addition, amendments are proposed to include provisions for the Department to recover scholarship funds from students who do not complete podiatric medical school or who complete podiatric medical school but do not become a licensed podiatrist.

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: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 9) Does this rulemaking contain incorporations by reference? No
- 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:
- Susan Meister
Division of Legal Services
Illinois Department of Public Health
535 W. Jefferson St., 5th floor
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: Schools of medicine in Illinois, schools of podiatric medicine in Illinois and community health centers.
- B) Reporting, bookkeeping or other procedures required for compliance: Requirements for grant applications, progress reports, and project completion are set forth in the rules.
- C) Types of professional skills necessary for compliance: Skills necessary to complete the grant application and monitor compliance with the requirements of this Part (e.g., accounting).
- 14) Regulatory Agenda on which this rulemaking was summarized: July 2010

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

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

TITLE 77: PUBLIC HEALTH

CHAPTER I: DEPARTMENT OF PUBLIC HEALTH

SUBCHAPTER g: GRANTS TO DENTAL AND MEDICAL STUDENTS

PART 593

PODIATRIC SCHOLARSHIP AND RESIDENCY PROGRAMS CODE

SUBPART A: GENERAL PROVISIONS

Section

593.10	Definitions
593.20	Referenced Materials
593.30	Administrative Hearings

SUBPART B: GRANTS TO PODIATRIC PRACTICE RESIDENCY PROGRAMS

Section

593.100	Eligibility for Grants
593.110	Limitations on Use of Grant Funds
593.120	Project Requirements
593.130	Application for Grants
593.140	Selection Criteria
593.150	Grant Awards
593.160	Grant Funds Recovery
593.170	Reporting Requirements

SUBPART C: PODIATRIC MEDICAL STUDENT SCHOLARSHIPS

Section

593.200	Limitations on Use of Scholarship Funds
593.210	Eligibility for Application
593.220	Criteria for Selecting Scholarship Recipients
593.230	Terms of Performance
593.240	Scholarship Repayments

AUTHORITY: Implementing and authorized by the Podiatric Scholarship and Residency Act [110 ILCS 978].

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

SOURCE: Adopted at 17 Ill. Reg. 11987, effective July 20, 1994; amended at 32 Ill. Reg. 863, effective January 4, 2008; amended at 35 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 593.10 Definitions

"Act" means the Podiatric Scholarship and Residency Act [110 ILCS 978].

"Calendar Days" means all days in a month or prescribed time frame, including weekends and holidays.

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

"Designated Shortage Area" means an area designated by the Director as a physician shortage area, a medically underserved area, or a critical health manpower shortage area as defined by the United States Department of Health and Human Services, or as further defined by the Department to enable it to effectively fulfill the purpose stated in Section 5 of the Act. These areas may include the following:

an urban or rural area;

a population group; or

a public or nonprofit private medical facility. (Section 10 of the Act)

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

"Eligible Podiatry Student" means a person who meets all of the following qualifications:

He or she is an Illinois resident at the time of application for scholarship under the program established by the Act.

He or she is studying podiatric medicine in a podiatry school located in Illinois.

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

He or she exhibits financial need as determined by the Department.

He or she agrees to practice full-time in a designated shortage area as a primary care physician one year for each year he or she is a scholarship recipient. (Section 10 of the Act)

"Full-time Practice" means maintaining office hours for patient care for at least 20 hours per week.

"Funding Period" means the time frame during which grant funds are to be expended by the grantee (usually corresponding with the Department's Fiscal Year).

"Grant Agreement" means the agreement entered into between the Department and the grantee setting forth the terms and conditions of a grant award.

"Grant Agreement Execution Date" means the date the grant agreement is signed by both the grantee and Department. This date signifies the beginning of the grant agreement.

"Grantee" means a person or entity which may use grant funds. (Section 2(c) of the Illinois Grant Funds Recovery Act)

"Grant Funds" means public funds dispensed by the Department to any person or entity for obligation, expenditure or use for a specific purpose. (Section 2(b) of the Illinois Grant Funds Recovery Act)

"Grantor Agency" means any agency of State government which dispenses grant funds. (Section 2(a) of the Illinois Grant Funds Recovery Act)

"Medical Facility" means a facility for the delivery of ~~health services~~Health Services and includes a hospital, State mental health institution, public health center, outpatient medical facility, rehabilitation facility, long-term care facility, community mental health center, migrant health center, a community health center, or a State correctional institution. (Section 10 of the Act)

"Metropolitan Statistical Area" or "MSA" means one or more adjacent counties that have at least one urban core area of at least 50,000 in population, plus

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

"Minority" means any person or group of persons who are: African-American (a person having origins in any of the black racial groups in Africa); Hispanic (a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race); Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands); or Native American ~~Indian~~ or Alaskan Native (a person having origins in any of the original peoples of North America).

"Not-for-Profit" means a corporation or entity described in the General Not-for-Profit Corporation Act of 1986.

"Podiatric Practice Residency Program" means a program accredited by the Council of Podiatric Medical Education. Residencies may be primary care or rotating. (Section 10 of the Act)

"Primary Care Physician" means a person licensed to practice podiatric medicine under the Podiatric Medical Act of 1987-~~[225 ILCS 100]~~. (Section 10 of the Act)

"Residency Matching Process" means the matching of podiatric medical students with residency training programs in the student's selected specialty.

"Residency Training" means the years of graduate medical education that follow podiatric medical school and that train the new podiatric physician in his or her chosen specialty.

"Rural" means any geographic area not located in a U.S. Bureau of the Census 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 2,400 or less or a RUCA Code 4 or above on the Rural-Urban Commuting Area list as defined by the U.S. Department of Agriculture Economic Research Service. The list of Rural-Urban Commuting Area Codes can be found at: <http://depts.washington.edu/uwruca/> <http://www.fammed.washington.edu/wamirhrc/rucas/rucas.html>.

"Urban" means all territory, population and housing units in urban areas, which include urbanized areas and urban clusters. An urban area generally consists of a

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

large central place and adjacent, densely settled census blocks that together have a total population of at least 2,500 for urban clusters, or at least 50,000 for urbanized areas. Urban classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 593.20 Referenced Materials

The following materials are referenced in this Part:

- a) Illinois Statutes:
 - 1) Podiatric Scholarship and Residency Act [110 ILCS 978]
 - 2) ~~Illinois~~ Podiatric Medical Practice Act of 1987 [225 ILCS 100]
 - 3) [Illinois Grants Funds Recovery Act \[30 ILCS 705\]](#)
 - 4) [General Not-for-Profit Corporation Act of 1986 \[805 ILCS 105\]](#)
- b) Illinois Rules: ~~Rules of~~ Practice and Procedure in Administrative Hearings (77 Ill. Adm. Code 100)

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 593.30 Administrative Hearings

Any administrative hearings conducted by the Department concerning the provisions of this Part shall be governed by the Department's ~~Rules of~~ Practice and Procedure in Administrative Hearings (~~See~~ 77 Ill. Adm. Code 100).

(Source: Amended at 35 Ill. Reg. _____, effective _____)

SUBPART B: GRANTS TO PODIATRIC PRACTICE RESIDENCY PROGRAMS

Section 593.130 Application for Grants

- a) [The Department shall prepare and distribute applications to eligible applicants](#)

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

(see Section 593.100) ~~Applications shall be submitted which describe the applicant's proposed methods to achieve the goal(s) specified in the Department's request for proposals.~~

- b) Applications shall describe the applicant's proposed methods to achieve the goals specified in the Department's request for proposals (see Section 593.120) ~~Applications shall be prepared and distributed by the Department to eligible applicants.~~
- c) Applications shall be in two formats – one for new projects and one for the subsequent years of a continuing project.
- 1) New ~~Department~~ project applications shall include:
- A) The name of the applicant;
 - B) The applicant's address;
 - C) A list of the applicant's chief officers and key employees;
 - D) A general description of the applicant;
 - E) A summary statement of the applicant's plan of action to address the goalsgoal(s) described in the Department's request for proposals;
 - F) Plans, equipment lists and other documents (as applicable) to demonstrate the type, structure and general character of the project;
 - G) B) A description of the geographic area or special population group to be served by the applicant's project, a statement of the special needs of the area or group (e.g., lack of health care providers, high incidence of disease, economic barriers to care) and an explanation of the manner in which the proposed project would meet those needs;
 - H) C) A statement of measurable and relevant objectives the applicant proposes to achieve in the first year of the project as well as its longer term goals, including appropriate measuring metrics;

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

~~D)D)~~ Aa work plan and time table for achievement of the objectives;

~~J)E)~~ Anan evaluation plan ~~thatwhich~~ will allow documentation of the project's progress in meeting the particular needs of the geographic area or special population group described in subsection (c)(1)~~(G)(B)~~ of this Section;

~~K)F)~~ Aa description of the podiatric medical student or resident involvement in the project including numbers participating, level of training, amount of academic time involved, and whether involvement will be a required or an optional experience for the student or resident;

~~L)G)~~ Aa description of the education benefits the project would offer students or residents ~~thatwhich, without the project~~, would not be available to them without the project;

~~M)H)~~ Aa description of the project's relationship to other activities and goals of the school or the residency program;

~~N)I)~~ Aa detailed budget with a narrative explanation of the request, including cost estimates of developing, constructing, operating or completing the project; and

~~O)J)~~ ~~Forfor~~ residency program applicants, a summary report for the most recent five-year period of the ~~percentagepercent~~ of graduates who have established practices in designated shortage areaspracticed in Illinois; and, if available, a count of those who have established practices in underserved areas of Illinois.

2) Continuing ~~Department~~ project applications shall include:

A) The name of the applicant;

B) The address of the applicant;

C) A list of the applicant's chief officers and key employees;

D) A general description of the applicant;

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- ~~E)A)~~ A progress report on the prior project year's activities, including accomplishments in meeting all stated objectives, impact on needs of area or population group served, amount of student and/or resident involvement, and educational benefits achieved;
- ~~F)B)~~ A summary statement of allany changes in plan of action;
- ~~G)C)~~ A description of all changes in geographic area or special population group being served;
- ~~H)D)~~ A statement of measurable objectives for the new project year, measured with previously identified metrics;
- ~~I)E)~~ A work plan and time table to meet the objectives;
- ~~J)F)~~ Anan evaluation plan for the new objectives;
- ~~K)G)~~ Aa detailed budget with a narrative description, including cost estimates of developing, constructing, operating or completing the project; and
- ~~L)H)~~ Forfor residency program applicants, a report on the practice location of the most recent graduates.

- d) The Department will review applications based on the criteria in subsection (c) of this Section. In making its determination to issue a grant, the Department shall determine which applications best allow the achievement of goals specified in the Department's request for proposals. The Department may also give consideration to factors including, but not limited to, underserved populations, past performance of an applicant and availability of funding.

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 593.150 Grant Awards

- a) The Department and grantee shall enter into a binding grant agreement. This agreement contains terms and conditions that ensure compliance with this Subpart and the laws of the State of Illinois, and enforcement of the contract.

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- b) Grantees shall be accountable to expend the funds solely for carrying out the approved project pursuant to the grant agreement.
- c) Any obligations of the Department to the grantee will immediately cease if the Illinois General Assembly fails to appropriate sufficient funds for the program.
- d) Grants will be made to eligible applicants upon availability of funds.

(Source: Added at 35 Ill. Reg. _____, effective _____)

Section 593.160 Grant Funds Recovery

- a) If a grantee fails to comply with this Subpart or any of the terms of the grant agreement, the Department, after notice and opportunity for hearing, shall suspend or revoke the grant and/or recover any grant funds previously disbursed to the grantee.
- b) If the Department believes that a grant should be suspended, terminated or recovered due to a grantee's failure to comply with this Subpart or the terms of the grant agreement, the grantee shall have the *opportunity for at least one informal hearing* before the Department or the Department's designee to *determine the facts and issues and to resolve any conflicts as amicably as possible before any formal recovery action is taken.* (Section 7 of the Illinois Grant Funds Recovery Act)
- c) If, based on the outcome of the informal hearing, the Department believes that a grant should be suspended, terminated and/or recovered due to a grantee's failure to comply with this Subpart or the terms of the grant agreement, then written notice of the proposed action shall be given to the grantee identifying the action to be taken and specific facts that permit the action. The grantee shall have 35 calendar days after the receipt of the notice to request a formal hearing (see 77 Ill. Adm. Code 100) to show why recovery is not justified or proper.
- d) If a grantee requests a hearing pursuant to subsection (c) of this Section, then:
 - 1) The Department shall hold a hearing at which the grantee (or the grantee's lawful representative) is permitted to present evidence and witnesses to show why the action should not be taken; and

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 2) After the conclusion of the hearing, the Department shall issue a written final order setting forth its findings of fact and decision. A copy of the order shall be sent to the grantee.
- e) A grantee may seek appropriate judicial review of any final order pursuant to applicable State law.
- f) The Department may suspend payment of grant funds at any time. If a grantee requests a hearing pursuant to subsection (c), the Department may not take any action of recovery until at least 35 calendar days after the Department has issued a final recovery order pursuant to subsection (d). If a grantee does not request a hearing as permitted in subsection (c), the Department may proceed with recovery of the grant funds identified in the notice at any time after the expiration of the 35 calendar day request period established in subsection (c).
- g) Any notice or mailing required or permitted by this Part shall be deemed received five business days after the notice or mailing is deposited in the United States mail, properly addressed with the grantee's current or last known business address and with sufficient U.S. postage affixed.

(Source: Added at 35 Ill. Reg. _____, effective _____)

Section 593.170 Reporting Requirements

- a) Each grantee shall submit progress reports to the Department every three months from the grant agreement execution date. The reports are due within 10 calendar days after the quarterly reporting period has expired. Such reports shall include but are not limited to:
 - 1) Current status of the project, including the percentage of the project finished;
 - 2) Project components finished and project components yet to be finished; and
 - 3) Costs incurred to date and an itemized listing of the total current project costs and a comparison of those costs to the budget approved in the grant agreement.

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- b) Grantees shall submit a final report within 60 calendar days after the conclusion of the grant agreement. The degree to which each objective in the grant proposal has been met shall be fully addressed in this report. In addition, this report shall include a comparison of the costs incurred in the project to the costs approved in the grant agreement.
- c) Failure to provide all the required reports and information shall result in the withholding or suspension of grant funds and the recovery of previously disbursed grant funds (see Section 593.150 of this Part and Section 4.1 of the Illinois Grant Funds Recovery Act).

(Source: Added at 35 Ill. Reg. _____, effective _____)

SUBPART C: PODIATRIC MEDICAL STUDENT SCHOLARSHIPS

Section 593.220 Criteria for Selecting Scholarship Recipients

- a) The Department shall allocate podiatric scholarship monies to podiatric medical schools for scholarship ~~awards~~award. ~~Podiatric~~Such podiatric medical schools shall utilize the following criteria in the selection of scholarship recipients. Preference shall be given to those scholarship applicants who, in written narratives and personal interviews, can best demonstrate the following:
- 1) Interest~~interest~~ in pursuing podiatric medicine;
 - 2) Previous~~previous~~ experience with medically underserved populations;
 - 3) Previous~~previous~~ experience in the health care delivery system, with preference given to those whose experience has involved one of the primary care specialty areas;
 - 4) Academic~~academic~~ capabilities as reported by the applicant's podiatric medical school, including certified transcripts from the school;
 - 5) Financial~~financial~~ need as reported by standard financial analysis documentation supplied by the applicant's podiatric medical school on the student's behalf;

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 6) ~~Greater~~^{greater} number of years of podiatric medical school remaining;
 - 7) ~~Stated willingness to provide~~^{stated interest in providing} podiatric care to Illinois citizens residing in designated shortage areas of Illinois;
 - 8) ~~Greatest~~^{greatest} number of years of residence in Illinois; and
 - 9) United States citizens, or those granted permanent residence in the United States by the United States Department of Homeland Security, Citizenship and Immigration Service~~Immigration and Naturalization Service~~.
- b) Of all applicants, priority is given to those individuals who have previously received a Podiatric Student Scholarship, providing that the recipient:
- 1) ~~recipient~~ requests, in a format determined by the Department, a continuation of scholarship funds;
 - 2) ~~recipient~~ would not be repeating the same year of school for the second consecutive year because of poor academic performance; and
 - 3) ~~recipient~~ has not voluntarily withdrawn from podiatric medical school.
- c) *Minority students as defined in Section 593.10 shall be given preference in selection for scholarships. (Section 5 of the Act)*

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 593.230 Terms of Performance

- a) Each scholarship recipient shall sign a written contract. The contract ~~shall contain~~^{contains} additional terms and conditions ~~that~~^{which} ensure compliance with this Part, the laws of the State of Illinois, and enforcement of the contract.
- b) Scholarship recipients who fail to complete podiatric medical school due to academic failure; ~~(as documented by recipient's school); or who fail to complete podiatric medical school due to voluntary actions on their part (e.g., withdraw from podiatric medical school) or who complete podiatric medical school but fail to become licensed as a podiatrist in Illinois shall repay to the Department a sum equal to 3 times the amount of the annual scholarship grant for each year the~~

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

recipient attended podiatric medical school. This sum represents the fair market value of services lost by the State of Illinois~~be discharged from all obligations.~~

- 1) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within a period of time equal to the recipient's time in podiatric medical school, or as otherwise agreed to by the recipient and the Department in writing.
 - 2) The recipient and Department shall enter into a written contract that describes the terms of the repayment and contains provisions for enforcement of the contract.
 - 3) If a scholarship recipient fails to pay monies owed the Department, the Department shall refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney.
- c) If the scholarship recipient is disabled or is otherwise unable for reasons beyond the recipient's control to fulfill the scholarship obligations, these obligations shall be suspended until the scholarship recipient is able to resume the scholarship obligations. However, the suspension shall not exceed two years.
- 1) To request a suspension of the scholarship obligation, a recipient shall submit a suspension request in writing to the Department. This request shall detail the reasons for the suspension and, if temporary, the duration of the suspension and shall be supported by clear and convincing documentation.
 - 2) The Department shall approve a request for a suspension if the request is supported by a letter from the recipient's licensed physician fully explaining and attesting to the recipient's inability (either temporarily or permanently) to continue either school or the practice of podiatric medicine and if the recipients agrees not to continue either his or her medical education or the practice of podiatric medicine in any state.
 - 3) If a scholarship recipient suffers total and permanent disability, the scholarship obligation shall be excused and deemed satisfied.
 - 4) If the scholarship recipient dies or is adjudicated as incompetent, all scholarship obligations shall be excused and deemed satisfied.

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 5) If the Department determines that the scholarship obligation cannot be fulfilled as referenced in this Subpart, the student shall be discharged from all obligations to the Department in connection with the Podiatric Scholarship and Residency Program.
- 6) If the Department denies the suspension request, the recipient shall fulfill the scholarship obligation.
- 7) Based on the information contained in the request, the Department's acceptance or denial of the request will be provided in writing, under the Director's signature.
- ~~e) Scholarship recipients who fail to complete podiatric medical school due to voluntary actions on their part shall repay to the Department all scholarship monies. Repayment shall be made in such a manner as agreed to by the recipient and the Department in the recipient's contract.~~
- ~~d) In the event the scholarship recipient is disabled or is otherwise unable for reasons beyond the recipient's control to perform the scholarship's obligations, these obligations shall be suspended until such time as the scholarship recipient is able to resume the scholarship obligations. Such suspension shall be requested in writing by the scholarship recipient. The Department's acceptance or denial of the suspension request will be provided in writing, under the Director's signature. The Department shall accept a request for a suspension when supported by a letter from the recipient's physician attesting to the recipient's inability (either temporarily or permanently) to continue either school or the practice of podiatric medicine and the recipient's agreeing to not continue either his or her medical education or the practice of podiatric medicine in any state.~~
- d)e) Misrepresentation of any material~~the~~ facts presented in the recipient's application shall be considered a breach of contract. If the Department determines that a breach of contract has occurred, the~~The~~ recipient's school shall be notified to halt further disbursements of scholarship funds and all funds provided by the Department to the student shall be due in full, immediately.

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 593.240 Scholarship Repayments

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- a) Upon the Illinois licensure of the scholarship recipient to practice podiatric medicine, the recipient shall provide podiatric health care in a designated shortage area of Illinois. The term of this service shall be one year for each academic year he or she is a scholarship recipient. (Section 10 of the Act)~~one year for each academic year he or she is a scholarship recipient.~~
- b) Service as a podiatric physician shall begin no later than 30 days after the recipient is licensed~~licensure of the recipient~~ to practice podiatric medicine. The Department shall defer service~~Service shall be deferred by the Department~~ until the recipient completes a podiatric care residency; service shall begin no later than 30 days after the recipient completes the residency~~completion.~~
- c) The recipient's internship, residency or other advanced clinical training does not qualify as service repayment of the scholarship obligation.
- d) The scholarship recipient shall submit a written request to the Department for approval for a proposed practice location. The Department shall provide approval or disapproval, in the form of a letter, to the scholarship recipient, based on the requirements of this Section. A letter of approval shall include a description of the terms of the service obligation.~~Written approval of the Department for a proposed practice location shall be requested and received by the scholarship recipient.~~
- 1) Without prior written~~such~~ approval from the Department, time in practice at such a location shall not meet the scholarship recipient's service obligation.
- 2) The scholarship recipient may request approval for a practice location up to 18 months preceding the time that practice at the location is to begin.
- 3) Approval for a practice location is granted for the duration of the scholarship recipient's service obligation.
- e) The scholarship recipient's practice shall meet the following requirements:
- 1) Be~~Be~~ located in a designated shortage area;
- 2) Be~~Be~~ a full-time, office-based practice providing direct patient care; and

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 3) ~~Provide~~provide continuous service at the rate of 12 months for each academic year of podiatric medical school supported by the scholarship.
- f) Scholarship recipients may relocate to another practice location, or practice in more than one location, if the Department grants prior written approval ~~is granted by the Department~~.
- g) Scholarship recipients shall enter into a written contract with the Department that describes the terms of the service obligation and contains provisions for enforcement of the contract.
- h) *Scholarship recipients who fail to fulfill their obligation to practice in designated shortage areas shall pay to the Department a sum equal to 3 times the amount of the annual scholarship grant for each year the recipient fails to fulfill that obligation. (Section 30 of the Act) This sum represents the fair market value of services lost by the State of Illinois.*
- 1) Payment shall be made in equal monthly installments in ~~such~~ amounts so that all sums due shall be paid within a period of time equal to the recipient's service term, or remaining portion of the term, or as otherwise agreed to by the recipient and the Department, in writing.
- 2) The recipient and Department shall enter into a written contract that describes the terms of the repayment and contains provisions for enforcement of the contract.
- i) If a scholarship recipient fails to pay monies owed the Department, the Department may refer the matter to the Illinois Attorney General, ~~or to~~ a collection agency, or a licensed attorney.

(Source: Amended at 35 Ill. Reg. _____, effective _____)