

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Family Practice Residency Code
- 2) Code Citation: 77 Ill. Adm. Code 590
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
590.10	Repeal
590.20	Amend
590.30	Amend
590.40	Amend
590.60	New
590.100	Amend
590.120	Amend
590.130	Amend
590.140	Amend
590.150	New
590.160	New
590.170	New
590.200	Amend
590.210	Amend
590.220	Amend
590.230	Amend
590.240	Amend
590.300	Amend
590.310	Amend
590.320	Amend
590.330	Amend
590.400	Amend
590.410	Amend
590.420	Amend
590.APPENDIX A	Repeal
590.APPENDIX B	Repeal
590.APPENDIX C	Repeal
590.APPENDIX D	Repeal
- 4) Statutory Authority: Family Practice Residency Act [110 ILCS 935]
- 5) A Complete Description of the Subjects and Issues Involved: The proposed rulemaking will clarify scholarship repayment terms; requires repayment from those scholarship recipients who fail medical school, withdraw from medical school or graduate from

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medical school but fail to obtain a medical license; and expands practice opportunities with underserved populations. The proposal will also incorporate requirements of the Illinois Grant Funds Recovery Act as it pertains to grants issued to family practice residency programs. Further, the proposal will incorporate certification requirements for grantees from Public Act 96-1064. Finally, the rulemaking will remove the Department's obligation to annually provide paper copies of a list of designated shortage areas in the State by providing Internet access to listings of designated shortage areas and populations. Appendices A, B, C and D will be also repealed.

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
- 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 Objective: These proposed amendments neither create nor expand any State mandate on units of local government, school districts or community college districts.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may submit written comments within 45 days after the date of publication to:

Susan Meister
Illinois Department of Public Health
Division of Legal Services
535 West Jefferson Street, Fifth Floor
Springfield, Illinois 62761

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13) Initial Regulatory Flexibility Analysis:

- A) Types of small business, small municipalities and non-for-profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

14) Regulatory Agenda on which this rulemaking was summarized: January 2010

The full text of the Proposed Amendments 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 STUDENTS

PART 590

FAMILY PRACTICE RESIDENCY CODE

SUBPART A: GENERAL PROVISIONS

Section

590.10	Applicability (Repealed)
590.20	Definitions
590.30	Incorporated and Referenced Materials
590.40	Administrative Hearings
590.60	Advisory Committee for Family Practice Residency Programs

SUBPART B: GRANTS TO FAMILY PRACTICE RESIDENCY PROGRAMS

Section

590.100	Eligibility for Grants
590.110	Limitations on Use of Grant Funds
590.120	Project Requirements
590.130	Application for Grants
590.140	Selection Criteria
590.150	Grant Awards, Terms and Conditions
590.160	Grant Funds Recovery
590.170	Reporting Requirements

SUBPART C: MEDICAL STUDENT SCHOLARSHIPS

Section

590.200	Limitations on Use of Scholarship Funds
590.210	Eligibility for Application
590.220	Criteria for Selecting Scholarship Recipients
590.230	Terms of Performance
590.240	Scholarship Repayment

SUBPART D: EDUCATIONAL LOAN REPAYMENT FOR PHYSICIANS

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Section

590.300	Limitations on Use of Loan Repayment Funds
590.310	Eligibility for Application
590.320	Selection Criteria for Distribution of Loan Repayment Funds
590.330	Terms of Performance

SUBPART E: DESIGNATION OF SHORTAGE AREAS

Section

590.400	Data Elements Used in Designation Process
590.410	Criteria for Designating Shortage Areas
590.420	Distribution of Lists of Designated Shortage Areas

590.APPENDIX A	Sample Contract for Medical Student Scholarship (Student Contract) <u>(Repealed)</u>
590.APPENDIX B	Sample Contract for Scholarship Service Obligation <u>(Repealed)</u>
590.APPENDIX C	Sample Contract for Monetary Repayment of Scholarship Obligation <u>(Repealed)</u>
590.APPENDIX D	Sample Contract for Educational Loan Repayment <u>(Repealed)</u>

AUTHORITY: Implementing and authorized by the Family Practice Residency Act [110 ILCS 935].

SOURCE: Filed June 8, 1978; amended at 4 Ill. Reg. 38, p. 185, effective September 10, 1980; codified at 8 Ill. Reg. 4509; Part repealed, new Part adopted at 15 Ill. Reg. 1833, effective January 25, 1991; amended at 35 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 590.10 Applicability (Repealed)

- a) ~~This Part is in response to an act designed to improve the availability of primary health care throughout the State. The provisions of this rulemaking are organized into six components which consist of five Subparts and four appendices. Subpart A includes general provisions, such as definitions and administrative hearing rules, which apply to all Sections of the Part.~~
- b) ~~Subpart B includes provisions for awarding grants to graduate medical education programs which train physicians in the specialty of family practice. These~~

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~~provisions set forth the application and selection processes for distribution of grant funds, and performance requirements.~~

- e) ~~Subpart C includes provisions for the distribution of medical student scholarships. These provisions set forth eligibility for scholarships, criteria for selection, and performance requirements resulting from acceptance of a scholarship.~~
- d) ~~Subpart D includes provisions for the repayment of educational loans for primary care physicians who agree to practice in designated shortage areas of the State.~~
- e) ~~Subpart E describes criteria used to designate areas of the State needing additional primary care physicians.~~
- f) ~~The appendices include sample contracts used in the scholarship and loan repayment activities described in this Part.~~

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

Section 590.20 Definitions

"Accredited family practice residency" means a training program meeting the requirements of the Accreditation Council for Graduate Medical Education of the American Medical Association, or ~~by~~ the Committee on Postdoctoral Training of the American Osteopathic Association.

~~"Act" means the Family Practice Residency Act. ACT" means the family practice residency act (Ill. Rev. Stat. 1989, ch. 144, par. 1451 et seq.).~~

~~"Authorized representative" means a person who has authority to act on behalf of the legal entity or person that is an applicant or grantee. Authorized representatives are: for a corporation, any of its officers or members of its board of directors; for a limited liability company, any of its managers or members; for a partnership, any of its general partners; and for a sole proprietor, the individual who is the sole proprietor.~~

~~"Board certified physician" means a physician who has taken and passed a medical specialty examination.~~

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"Board eligible physician" means a physician who has completed the requirements for admission to a medical specialty board examination but has not yet taken and passed the examination.

"Business day" means Monday through Friday. It does not include a federal or State government declared holiday, Saturday or Sunday.

"Calendar day" means all days in a month or prescribed time frame. It includes weekends and federal or State government declared holidays.

"Center" means the Center for Rural Health of the Illinois Department of Public Health.

"Certified mail" means mail for which proof of delivery is obtained.

"Committee" means the Advisory Committee for Family Practice Residency Programs. ~~advisory committee for family practice residency programs created by the Act~~ (Section 3.03 of the Act).

"Community Based Organization" means a locally organized and locally recognized group of individuals whose goals include efforts to maintain or increase the availability of primary health care in their community.

"Department" means the Illinois Department of Public Health. (Section 3.01 of the Act)-

"Designated Shortage Area" means an area designated by the ~~Director~~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~~Health, Education and Welfare~~, or as further defined by the Department to enable it to effectively fulfill the purpose stated in Section 2 of ~~the~~the Act. Such areas may include the following:

An urban or rural area which is a rational area for the delivery of health services;

A population group; or

A public or nonprofit private medical facility (Section 3.04 of the Act).

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"Director" means the Director of the Illinois Department of Public Health.
(Section 3.02 of the Act):

"Disabled" shall have the meaning ascribed in Section (2)(A)(2.1) of the Business Enterprise for Minorities, Females and Persons with Disabilities Act.

"Disability" shall have the meaning ascribed in Section 1-103(I) of the Illinois Human Rights Act.

"Due diligence" means action taken toward the completion of a project with the diligence and foresight that persons of ordinary prudence and care would exercise under similar circumstances.

"Data Universal Numbering System" or "DUNS" is a system that assigns a unique numeric identifier, referred to as a DUNS number, to a single business entity.

"Eligible medical student" means a person who meets all of the following qualifications:

he or she is an Illinois resident at the time of application for a scholarship;

he or she is studying medicine in a medical school located in Illinois;

he or she exhibits financial need as determined by the Department; and

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 3.07 of the Act)

"Family practice residency program" means a program accredited by the Accreditation Council for Graduate Medical Education, or the Committee on Postdoctoral Training of the American Osteopathic Association. (Section 3.06 of the Act):

"Federally Qualified Health Center" or "FQHC" means a health center funded under section 330 of the Public Health Service Act (42 USC 254b).

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"Federally Qualified Health Center Look-Alike" or "FQHC Look-Alike" means an organization that meets the requirements for receiving a grant under section 330 of the Public Health Service Act but does not receive federal grants under that authority.

"Federal poverty level as published in the Federal Register" means the poverty level population figures published annually in the Federal Register. The Federal Register may be found at the website: www.gpoaccess.gov/fr/Index.html.

"Fellowship" means optional medical training, usually one year, completed after the residency training required for each of the primary care specialties.

"Fiscal year" means the financial operating year of Illinois State government. It begins on July 1 and ends on June 30 of the next calendar year.

"Full-time practice for physicians with active staff privileges" means maintaining office hours for patient care ~~that~~^{which} equal or exceed the mean number of office hours per week reported by physicians, by specialty, and published in the American Medical Association's "Socioeconomic Characteristics of Medical Practice, ~~1989~~."

"Full-time practice for primary care physicians without active staff privileges" at a hospital means maintaining office hours or being employed for patient care ~~for~~^{an} amount of time at least equal to the mean number of office hours per week reported by family practice physicians in the American Medical Association's "Socioeconomic Characteristics of Medical Practice, ~~1989~~."

"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).

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

"Grant agreement" means the agreement entered into between the Department and any person or entity for obligation, capital expenditure or use for a specific purpose.

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"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)

"Good academic standing" means a student is matriculating with the rest of his or her class as determined by the student's medical school.

"Health Professional Shortage Area" or "HPSA" means a designation provided by the U.S. Department of Health and Human Services, Health Resources and Services Administration. The HPSA designation indicates the shortage of primary medical care, dental or mental health providers. The designation may be geographic (a county or service), demographic (low income population) or institutional (comprehensive FQHC or other public facility). All FQHCs and Rural Health Clinics that provide access to care regardless of an individual's ability to pay receive HPSA designations. (For a map of HPSAs, see <http://bhpr.hrsa.gov/shortage/hpsacrit.htm>.)

"Illinois resident" means a person who has been a resident of Illinois for at least one year prior to application for a Medical Student Scholarship and is a citizen or lawful permanent resident of the United States.

"Lawful permanent resident" means a person who is not a citizen of the United States but who resides in the United States under legally recognized requirements and lawfully recorded permanent residence as an immigrant.

"Legal holiday" means a holiday set by statute, during which government and business working hours are suspended.

"Local health department" means a county, multi-county, municipal or district public health agency ~~certified~~recognized by the Department.

"Matriculation fees" ~~means are those~~ educational expenses charged to all students by the various medical schools. ~~These~~Such fees are charged to offset the expenses incurred by the school in areas such as the application and enrollment processing, library use ~~charges~~, mandatory health insurance, and student ~~activities~~activity fees.

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"Medical school" means any private or public nonprofit school in Illinois ~~that which~~ provides education leading to a doctor of medicine or doctor of osteopathy degree, and ~~that which~~ is approved by the Illinois Department of Financial and Professional Regulation, pursuant to the Medical Practice Act of 1987 ~~(Ill. Rev. Stat. 1989, ch. 111, par. 4400-1).~~

"Medical student" means a resident of Illinois *studying medicine in a medical school located in Illinois.* (Section 3.07 of the Act)-

"Medically underserved population" means individuals who live in a designated shortage area or who, because of special health needs or low income, experience difficulty receiving health care.

"Metropolitan Statistical Area" means one or more adjacent counties that have at least one urban core area of at least 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core, as measured by commuting ties.

"Number of live births in Illinois" means the number of live births in Illinois as provided by the Department's Center for Health Statistics.

"Number of obstetricians providing care in Illinois" means the number of obstetricians providing care in Illinois as found in the American Medical Association's Survey Data as provided to the Department as a Primary Care Organization Grantee by the U.S. Department of Health and Human Services, Bureau of Health Professions. These data are provided for the designation of HPSAs in Illinois.

"Obstetrical service area" means ~~the geographic~~that geographical area surrounding a hospital with an obstetrical unit and ~~that which~~ is defined by an imaginary boundary determined by the shortest distance, either in time or miles, for a citizen or equivalent to travel to one hospital rather than another.

"Obstetrical unit" means an entire facility or a distinct part of a facility that provides both maternity and obstetric care and that is designed, equipped, organized and operated in accordance with the requirements of the Hospital Licensing Act.

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"Primary care physician" means a person licensed to practice medicine in all of its branches under the Medical Practice Act of 1987 (~~Ill. Rev. Stat. 1989, ch. 111, par. 4400-1 et seq.~~) ~~with~~ With a specialty in Family Practice, Internal Medicine, Obstetrics and Gynecology, or Pediatrics ~~family practice, internal medicine, obstetrics and gynecology, or pediatrics~~ as defined by recognized standards of professional medical ~~practice.~~ practices (Section 3.05 of the Act).

"Rational ~~service~~-area" means the geographic area surrounding a physician's office, a hospital or a clinic, ~~and~~ from which the residents of the geographic area may be reasonably expected to seek health care from the physician, hospital or clinic located within that geographic ~~the~~ area.

"Residency matching process" means the National Resident Matching Program ~~that~~ which coordinates the matching of medical students with the hospitals and residency training programs in the medical students' selected specialty. The matching application process usually lasts from June through September of one year, with match announcements made in March of the following year.

"Residency training" means the years of graduate medical education ~~that~~ which follow medical school and ~~that~~ which train the new physician in his or her chosen specialty (~~e.g., i.e., family practice, pediatrics, etc.~~).

"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 2,500 or less.

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

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

Section 590.30 Incorporated and Referenced Materials

The following materials are incorporated or referenced in this Part:

a) Illinois Statutes

1) Family Practice Residency Act [110 ILCS 935] (~~Ill. Rev. Stat. 1989, ch.~~

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~~144, par. 1451 et seq.).~~

- 2) ~~Medical Practice Act of 1987 [225 ILCS 60](Ill. Rev. Stat. 1989, ch. 111, par. 4400-1 et seq.) (See Section 590.20).~~
- 3) Hospital Licensing Act [210 ILCS 85]
- 4) Illinois Administrative Procedure Act [5 ILCS 100]
- 5) Department of Public Health Powers and Duties Law [20 ILCS 2310/2310-200]
- 6) Illinois Grant Funds Recovery Act [30 ILCS 705]
- 7) Illinois Human Rights Act [775 ILCS 5]
- 8) Business Enterprise for Minorities, Females and Persons with Disabilities Act [30 ILCS 575]
- 9) State Finance Act [30 ILCS 105]

b) ~~Illinois and Federal~~ Rules

- 1) ~~Rules of Practice and Procedure in Administrative Hearings (77 Ill. Adm. Code 100).~~
- 2) Government Contracts, Procurement and Property Management (44 Ill. Adm. Code 750). ~~App. A (See Appendices).~~
- 3) ~~42 CFR 5 (See Section 590.410(b)).~~

c) Federal Regulations

U.S. Department of Health and Human Services, designation of Health Professional Shortage Areas (HPSAs) pursuant to section 332 of the Public Health Service Act (42 USC 254e) (as amended by the Health Care Safety Net Amendments of 2002, P.L. 107-251); 42 CFR 5 (Designation of health professional shortage areas), October 1, 2005 and 51c (Grants for community health services), October 1, 2005. Source: 45 FR 76000, November 17, 1980.

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Nomenclature changes to Part 5 appear at 57 FR 2480, January 22, 1992, Procedures and Criteria for Designation of HPSAs (see Section 590.410(b)).

de) Other Guidelines –

"Socioeconomic Characteristics of Medical Practice, 1989," prepared by the American Medical Association's Center for Economic and Health Policy Research, 515 North State Street, Chicago, Illinois 60654.

ed) All incorporations by reference of federal regulations and the standards of nationally recognized organizations refer to the regulations or standards on the date specified and do not include any amendments or editions~~additions or deletions~~ subsequent to the date specified.

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

Section 590.40 Administrative Hearings

Administrative~~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 _____)

Section 590.60 Advisory Committee for Family Practice Residency Programs

The Advisory Committee for Family Practice Residency Programs consults with the Director in the administration of the Act. (Section 5 of the Act) The Department is required to consult with the Committee in the determination of Designated Shortage Areas, eligibility criteria for the allocation of grants and the awarding of scholarships. (Section 4.09 of the Act)

a) The Committee shall consist of nine members with the following composition:

- 1) Four members shall be family practice physicians;
- 2) One member shall be a dean or associate dean or deputy dean of a medical school in Illinois; and
- 3) Four members shall represent the general public. (Section 5 of the Act)

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b) Committee appointment:

- 1) The Director shall appoint individuals to the committee.
- 2) Membership on the committee shall be for a term of *four years*.
- 3) *No person shall serve more than two terms.*
- 4) *A committee member shall continue to serve after the expiration of his or her term until his or her successor has been appointed. (Section 5 of the Act)*

c) Committee structure:

- 1) The Committee shall elect a chairperson *from among the family practice physician members*.
- 2) The Committee shall elect *such* officers as *may be required*. (Section 5 of the Act)

d) The Committee shall meet as frequently as the Director deems necessary. (Section 5 of the Act) However, the committee shall meet at least annually.

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

SUBPART B: GRANTS TO FAMILY PRACTICE RESIDENCY PROGRAMS

Section 590.100 Eligibility for Grants

The following educational entities are eligible to apply for grants through this Part:

- a) Any accredited family practice residency program located in Illinois; or
- b) Any school of medicine or school of osteopathy located in Illinois with a department of family medicine or family practice; or
- c) Any accredited preventive medicine residency program located in Illinois.

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

Section 590.120 Project Requirements

- a) ~~Applicants for projects~~**Projects** to be funded through this Part shall respond to requests for proposals distributed by the Department ~~and~~ delineating project requirements.
- b) Requests for proposals prepared by the Department shall address one or more of the following goals:
 - 1) ~~to increase~~**Increase** the number of family practice physicians in ~~Designated Shortage Areas~~**designated shortage areas**;
 - 2) ~~to increase the percentage of obstetricians establishing practice within the State upon completion of residency~~;
 - 3) ~~to increase~~**Increase** the number of accredited family practice residencies ~~within the State~~**in Illinois**;
 - 43) ~~to increase~~**Increase** the percentage of family practice physicians establishing practice within the State upon completion of residency; ~~and~~
 - 54) ~~to provide~~**Provide** funds for rental of office space, purchase of equipment and other uses necessary to enable family practitioners to locate their practices in communities located in designated shortage areas.
(Section 4.01 of the Act)
- c) Projects shall have a director who is a board certified family practice physician who oversees the educational and professional components of the program and who is eligible to be a faculty member of a school of medicine or ~~a school of~~ osteopathy.
- d) Project directors shall annually submit fiscal and program objective progress reports ~~to the Department~~.
- e) ~~The applicant shall also demonstrate local support for the program. Local support can be demonstrated through funds, services or other resources. The~~

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ratio of State support to local support shall be determined by the Department in a manner that is consistent with the purpose of the Act. (Section 6 of the Act)

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

Section 590.130 Application for Grants

- a) The Department shall prepare and distribute applications to eligible applicants (see Section 590.100)~~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 590.120)~~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 legal name of the applicant;
 - B) The name and title of the applicant's officers and managers;
 - C) The applicant's legal address;
 - D) A general description of the applicant, including its business and business experience;
 - E) The applicant's telephone number, fax number, federal employer identification number (FEIN), DUNS number, and Illinois Department of Human Rights number;
 - F) The project director's name and e-mail address;
 - GA) A description of the project for which grant funds are requested, including a summary~~Summary~~ statement of the applicant's plan of

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action to address the ~~goals~~goal(s) described in the Department's request for proposals;

~~HB)~~ 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;

~~IE)~~ 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;

~~ID)~~ A work plan and time table for achievement of the objectives;

~~KE)~~ An evaluation plan ~~that~~which will ~~document~~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)(H) item (B) above;

~~LF)~~ A description of the medical student or family practice 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;

~~MG)~~ A description of the educational benefits the project would offer students or residents, which, ~~without the project~~, would not be available to them without the project;

~~NH)~~ A description of the project's relationship to other activities and goals of the school or the residency program;

~~OF)~~ A detailed budget with narrative explanation of the request, including cost estimates of developing, constructing, operating or completing the project; and;

~~PF)~~ For residency program applicants, a summary report, for the most

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recent five-year period, of the ~~percentage~~percent of its graduates who have established practices in designated shortage areas~~practiced~~ 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 legal name of the applicant;
- B) The name and title of the applicant's chief officers and key employees;
- C) The applicant's legal address;
- D) A general description of the applicant, including its business and business experience;
- E) The applicant's telephone number, fax number, FEIN and DUNS number;
- F) The project director's name and e-mail address;
- GA) A progress~~Progress~~ report on the prior project year's activities, including accomplishments in meeting all stated objectives, impact on the needs of the area or population group served, amount of student and/or resident involvement, and educational benefits achieved;
- HB) A summary~~Summary~~ statement of all~~any~~ changes in the plan of action;
- IE) A description~~Description~~ of all changes in the geographic area or special population group being served;
- JD) A statement~~Statement~~ of measurable objectives for the new project year, measured with previously identified metrics;
- KE) A work~~Work~~ plan and time table to meet the objectives;

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- LF) An evaluation plan for the new objectives, including appropriate measuring metrics;
- MG) A detailed budget with a narrative description, including cost estimates of developing, constructing, operating or completing the project; and
- NH) For residency program applicants, a report on the practice locations~~location~~ of the most recent graduates.

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

Section 590.140 Selection Criteria

- a) Priority in the selection of applicants for funding shall be given to those projects that ~~can~~ demonstrate the greatest impact on availability of health care for designated shortage areas or for population groups with special needs. The~~Such~~ ~~an~~ impact shall be demonstrated in the following manner:
- 1) Applicants ~~that~~which are located in a designated shortage area or can demonstrate that a significant percentage of patients served at their existing clinic sites reside in designated shortage areas;
 - 2) Applicants ~~that~~which have presented a plan to significantly increase the number of individuals residing in designated shortage areas who will become patients at the proposed ~~project~~projects;
 - 3) Applicants ~~that~~which can demonstrate that a significant number of patients to be seen at the proposed project will be members of a population group with special needs (~~see~~See Section 590.130(c)(1)(~~HB~~)).
- b) Applicants ~~that~~which~~can~~ demonstrate the greatest level of residents' involvement in the proposed project shall receive priority consideration.
- c) Applicants ~~that~~which~~can~~ demonstrate that the proposed project meets an educational need not available or insufficient in scope at the main residency location will receive priority consideration.
- d) Applicants ~~that~~which~~can~~ demonstrate the lowest ratio of Family Practice

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Residency Act grant funds to total proposed project ~~costseest~~ will receive priority consideration.

- e) Applicants ~~thatwhich-can~~ demonstrate a commitment to training family physicians to meet the health care needs of designated shortage areas or population groups with special needs will receive priority consideration. A commitment can be demonstrated by the following in a number of ways including:
- 1) Specific projects or activities targeted at population groups with special needs and/or populations residing in designated shortage areas, which were supported by sources other than Family Practice Residency Act grant funds;
 - 2) Evidence of residency support, either financial or peer, for its graduates who have established practices in designated shortage areas; and
 - 3) ~~A higher percentage~~Higher percentages of residency graduates who have established practices in Illinois ~~withinand-in~~ designated shortage areas.
- f) Additional consideration shall be given for those projects meeting any of the following guidelines:
- 1) ~~Thosethose~~ *which are to be established at locations which exhibit potential for extending family practice physician availability to ~~designated shortage areas~~;*
 - 2) ~~Thosethose~~ *which are located away from communities in which medical schools are located; ~~and-and~~*
 - 3) ~~Those which arethose~~ *located in hospitals having affiliation agreements with medical schools located within the State.*
(Section 4.02 of the Act)
- g) Selection criteria shall be applied with advice and review ~~ofby~~ the Advisory Committee.
- h) Once the Department determines that applications are complete, grant proposals will be forwarded to the Department's grant review committee for consideration.

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- i) Applicants shall be allowed to amend the application or provide additional supporting documentation during the evaluation process if requested by the Department's grant review committee.
- j) Upon completion of the grant review committee's evaluation, the Department will award grants to the applicants that meet all of the applicable requirements of the Act and this Part.

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

Section 590.150 Grant Awards, Terms and Conditions

To issue a grant award, the Department and grantee will enter into a written grant agreement. This agreement will describe the requirements the grantee must fulfill (based on the goals and objectives in the application) and how the grantee will ensure compliance with all applicable stipulations and conditions.

- a) The written grant agreement shall contain, at a minimum, the following:
 - 1) Identifying information of the grantee, including name, mailing address, phone number, fax number and e-mail address;
 - 2) A description of the grant's purpose;
 - 3) Information on how payments to the grantee will be made;
 - 4) Details on what constitutes permissible expenditure of grant funds;
 - 5) Reporting requirements applicable to the grant, including the filing of quarterly reports, at a minimum (for those grants exceeding \$25,000), that describe the project's progress and a detailed report of funds expended;
 - 6) The time period of the grant;
 - 7) Certification that the grantee will comply with all applicable provisions of the Illinois Grant Funds Recovery Act;
- b) Grant funds that the grantee does not expend or obligate by the end of the grant agreement shall be returned to the Department within 45 calendar days (see

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Section 4(b)(5) of the Illinois Grant Funds Recovery Act). The 45 calendar day time frame begins the day after the grant agreement expires. Returned funds will be deposited into the fund from which the original grant disbursement to the grantee was made.

- c) Grantees are required to keep proper, complete and accurate accounting records of all grant funds received from the Department.
- d) If a grantee dispenses any part or all of the grant funds to another person or entity for obligation or expenditure, those dispensed funds shall be treated as grant funds. (Section 12 of the Illinois Grant Funds Recovery Act) As such, the person or entity that receives the grant funds from the grantee will be subject to all applicable Sections of this Part.
- e) Each award by grant of State funds of \$250,000 or more for capital construction costs or professional services is conditioned upon the recipient's written certification that the recipient will comply with the business enterprise program practices for minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act. (Section 45 of the State Finance Act)

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

Section 590.160 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, revoked or recovered because of 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)

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- c) If, based on the outcome of the informal hearing, the Department believes that a grant should be suspended, revoked or recovered because of 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), the Department shall hold a hearing at which the grantee (if an individual or the grantee's attorney if the grantee is a recognized entity) is permitted to present evidence and witnesses to show why the action should not be taken.
- e) 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.
- f) The Department may suspend payment of grant funds at any time for failure to comply with Section 590.170 or in any situation that constitutes a threat to the public interest, safety or welfare. Notice of opportunity for hearing will be provided with the notice of suspension. 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 (e). If a grantee does not request a hearing, 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 U.S. 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 590.170 Reporting Requirements

- a) Quarterly Reports. For grants that exceed \$25,000, each grantee shall, at a minimum, submit progress reports to the Department every three months. The

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reports are due within 10 calendar days after the quarterly reporting period has expired (see Section 4(b)(2) of the Illinois Grant Funds Recovery Act). The report shall include the following:

- 1) Current status of the project, including the percentage of the project finished;
- 2) Project components finished and project components yet to be finished;
- 3) Costs and expenditures incurred to date, an itemized listing of the total current project costs and a comparison of those costs to the budget approved in the grant agreement; and
- 4) Signature of an authorized official of the grantee, stating that this is a true and complete report of the project's status.

b) Final Report. Grantees shall submit a final report within 60 calendar days after the conclusion of the grant. The degree to which each objective in the proposal has been met shall be fully addressed in this report. The final report shall contain the following:

- 1) A brief narrative summarizing project accomplishments;
- 2) A description of any new activities or modifications made to the project as presented in the original grant application, including the causes for change. The description shall include a narrative on the implementation timetable and expected outcomes;
- 3) A description of problems that developed and how they were addressed;
- 4) A list of all project costs and sources of funds for the grant; and
- 5) A certification in the form of a notarized statement, signed by an authorized representative of the grantee, attesting that:
 - A) All funds attributed to the grant have been expended;
 - B) The costs reported are the final costs required to complete the project and there are no additional or associated costs; and

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C) Funds used for the project were approved by the Department.

c) Failure to provide all of the required reports and information in a timely fashion shall result in the withholding or suspension of grant funds and the recovery of previously disbursed grant funds (see Section 590.160 and Section 4.1 of the Illinois Grant Funds Recovery Act).

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

SUBPART C: MEDICAL STUDENT SCHOLARSHIPS

Section 590.200 Limitations on Use of Scholarship Funds

- a) Scholarships shall cover the cost of tuition and matriculation fees, and shall provide a monthly living stipend for selected medical students.
- b) Scholarship funds shall be expended by the recipient only while enrolled and in good academic standing at a medical school.
- c) Scholarship funds shall not be awarded for expenses incurred when the student must repeat more than once an academic term or terms, if the repetition is necessary because the student has an academic performance below an acceptable level as determined by the student's medical school.
- d) Scholarship funds shall be provided to the recipient's medical school. All funds for tuition and fees are to be expended only on the medical student's behalf, and all stipend monies are to be provided directly to the medical student.

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

Section 590.210 Eligibility for Application

- a) A student is~~Students~~ eligible to apply for a Medical Student Scholarship ~~if Scholarships shall meet~~ the following requirements are met~~qualifications~~:

- 1) *He or she is an Illinois resident at the time of application;*
- 2) *He or she is studying medicine, or ~~is~~ accepted for enrollment, in a medical*

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school located in Illinois;

3) *He or she exhibits financial need as determined by the Department, using financial analysis information provided by the applicant and accepted by his or her medical school. The Department shall find a financial need when the information provided reveals a deficit in available funds for tuition and fees; ~~and-~~*

4) *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 3.07 of the Act)*

b) Students receiving funds from other scholarship or loan funds requiring service commitments that would prevent the applicant from meeting the requirements of the Medical Student Scholarship shall ~~not be ineligible~~ eligible for scholarships described in this Subpart.

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

Section 590.220 Criteria for Selecting Scholarship Recipients

a) Preference shall be given to those scholarship applicants who, in written narratives and personal interviews, ~~can demonstrate the following:~~

1) ~~An interest~~ Interest in pursuing one, or a combination of, the medical specialties of family practice, internal medicine, pediatrics, or obstetrics/gynecology;

2) Previous experience with medically underserved populations;

3) 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 capabilities ~~as~~ reported by the applicant's medical school;

5) Financial need as reported by standard financial analysis documentation supplied by the applicant's medical school on the student's behalf;

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- 6) ~~A greater~~Greater number of years of medical school remaining;
 - 7) ~~A stated~~Stated interest in providing primary health care to Illinois citizens residing in designated shortage areas of Illinois;
 - 8) ~~The greatest~~Most number of years of residence in Illinois; and
 - 9) United States ~~citizenship~~citizens, or ~~being those~~ granted permanent ~~residency~~residence in the United States by the United States Department of Homeland Security, Citizenship and Immigration ~~and Naturalization~~ Service.
- b) If applicants ~~qualify~~demonstrate equally in all of the criteria referenced in subsection (a)~~above characteristics~~, preference will be given to those interested in pursuing the specialty of family practice.
- c) Of all applicants, priority is given to those individuals who have previously received a Medical Student Scholarship, providing that the:
- 1) Recipient requests, ~~in a format determined by the Department,~~ a continuation of scholarship funds ~~(See Appendix A)~~;
 - 2) Recipient would not be repeating the same year of school ~~for the second consecutive year~~ because of poor academic performance (see Section 590.200); and
 - 3) Recipient has not voluntarily withdrawn from medical school.
- d) Selection criteria will be applied with advice and review ~~of~~by the Advisory Committee.

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

Section 590.230 Terms of Performance

- a) Each scholarship recipient shall sign a written contract ~~(See Appendix A)~~. The contract ~~shall contain~~contains additional terms and conditions ~~that~~which ensure compliance with this Part and the laws of the State of Illinois, and enforcement of the contract.

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- b) Scholarship recipients who fail to complete medical school ~~because of due to~~ academic failure, ~~(as documented by the recipient's medical school)~~, shall repay to the Department all scholarship monies that were disbursed. This includes monies remitted to the medical school for tuition and fees as well as monies received by the recipient for stipends~~be discharged from all obligations. Repayment shall be made as agreed to by the recipient and the Department in the recipient's contract.~~
- c) Scholarship recipients who fail to complete medical school ~~because of due to~~ voluntary actions ~~(e.g., withdrawal from medical school)~~ on their part shall repay to the Department all scholarship monies that were disbursed. This includes monies remitted to the medical school for tuition and fees as well as monies received by the recipient for stipends. Repayment shall be made ~~in such a manner~~ as agreed to by the recipient and the Department in the recipient's contract ~~(See Appendix A).~~
- d) Scholarship recipients who complete medical school but fail to place in a primary care residency or fail to become licensed as a physician in Illinois shall repay all scholarship monies to the Department. This includes monies remitted to the medical school for tuition and fees as well as monies received by the recipient for stipends. Repayment shall be made as agreed to by the recipient and the Department in the recipient's contract.
- ed) ~~If 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. However, the suspension shall not exceed two years. 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 medicine) and the recipient's agreeing to not continue either his or her medical education (or the practice of medicine) in any state.
- 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

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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 medicine and if the recipient agrees not to continue either his or her medical education or the practice of medicine in any state.
- 3) If a scholarship recipient suffers total and permanent disability, dies or is adjudicated as incompetent, the recipient shall be discharged from all obligations to the Department in connection with the Family Practice Residency Program.
- 4) If the Department denies the suspension request, the recipient shall fulfill the scholarship obligation.
- 5) 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.

fe) Scholarship recipients who, in their third year of medical school, seek a residency training program in an area other than a primary care specialty shall have their eligibility for scholarship funds for their final year of medical school suspended until ~~such time as~~ the residency matching process is complete.

- 1) If the recipient is notified by the National Resident Matching Program, or directly by a residency not participating in the National Resident Matching Program, of acceptance into a non-primary care residency, no funds shall be provided for the final year of medical education, and all funds previously provided by the Department to the student shall be due in full, immediately.
- 2) If the recipient has requested a non-primary care residency but is matched to a primary care residency instead and agrees to the match, scholarship funds for the final year of medical education shall again be made available.

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- gf) Misrepresentation of any material~~the~~ facts presented in the recipient's scholarship application shall be considered a breach of contract. If the Department determines that a breach of contract occurred, the~~The~~ recipient's medical school shall be notified to halt further disbursements of scholarship funds. In addition,~~and~~ all funds provided by the Department to the student shall be due in full, immediately.

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

Section 590.240 Scholarship Repayment

- a) Upon the Illinois licensure of the scholarship recipient to practice medicine, the recipient shall provide primary 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 3.07 of the Act)
- b) Service as a primary care physician shall begin no later than 30 calendar days after the licensure of the recipient to practice medicine.
- 1) ~~The Department will defer service~~Service shall be deferred by the Department until the recipient completes a primary care residency; service shall begin no later than 30 calendar days after completion of the residency.
- 2) If the recipient leaves the residency program prior to completion, service shall begin within 30 calendar days after leaving the program.
- c) Upon written approval of the Department, service shall be deferred until 30 days following completion of a fellowship in a primary care specialty.
- d) The recipient's internship, residency or other advanced clinical training does not qualify as service repayment of the scholarship obligation.
- e) The scholarship recipient shall submit a written request to the Department for approval for a proposed practice location. The Department will provide approval or disapproval, in the form of a letter, to the scholarship recipient, based on the requirements of subsection (f). 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.~~

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- 1) Without ~~such~~ approval from the Department, time in practice at the described~~such a~~ location shall not meet the scholarship recipient's service obligation.
 - 2) The scholarship recipient may request and receive approval for a practice location up to 18 months ~~preceding~~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.
- f) The scholarship recipient's practice shall meet the following requirements:
- 1) Be located in a federally designated HPSA~~shortage area(s)~~ (~~see~~See Subpart E);
 - 2) Have at least 51% of the patients seen be members of the affected population group, including Medicaid-reimbursed patients and patients qualifying for a reduced fee if their household income is at or below 200 percent of the federal poverty level;
 - 32) Be a full-time, office-based practice providing direct patient care (~~see~~See Subpart A, Section 590.20 for definition of full-time, by primary care specialty);
 - 43) Be in one of, or in a combination of the primary care specialties; and
 - 54) Provide~~Be providing~~ continuous service at the rate of 12 months for each academic year of medical school supported by the scholarship.
- g) Scholarship recipients may relocate to another practice location, or practice in more than one location, if prior written approval is granted by the Department.
- h) Scholarship recipients shall enter into a written contract (~~See Appendix B~~) with the Department that~~which~~ describes terms of the service obligation and contains provisions for enforcement of the contract.
- i) *Scholarship recipients who fail to provide service as required shall pay to the*

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Department a sum of money equal to 3 times the amount of the ~~recipient's~~ average annual scholarship award ~~of the recipient's~~ for each year, or portion thereof, that the recipient fails to fulfill the service obligation. (Section 10 of the Act):

- 1) To fulfill the repayment requirements of this Section, the scholarship recipient shall have 30 days from the date the failure begins in which to enter into a contract with the Department. (Section 10 of the Act)*
- 2) If the contract is not entered into within that 30 day period or if the contract is entered into but the required payments are not made in the amounts and at the times provided in the contract, the scholarship recipient also shall be required to pay to the Department interest at the rate of 9% per annum on the amount of that sum remaining due and unpaid. (Section 10 of the Act)*
- 34) 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 thereof, ~~or as otherwise approved by the Department.~~*
- 42) The contract will contain ~~Recipient and Department shall enter into a written contract (See Appendix C) which describes~~ terms ~~for~~ of the repayment and ~~contains~~ provisions for enforcement of the contract.*
- 5) The amounts paid to the Department under this Section shall be deposited into the Community Health Center Care Fund and shall be used by the Department to improve access to primary health care services as authorized under Section 2310-200(a) of the Department of Public Health Powers and Duties Law. (Section 10 of the Act)*
- j) ~~If in the event~~ a scholarship recipient fails to pay monies owed to the Department, the Department ~~shall~~ 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 _____)

SUBPART D: EDUCATIONAL LOAN REPAYMENT FOR PHYSICIANS

Section 590.300 Limitations on Use of Loan Repayment Funds

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- a) Funds shall be used *for the repayment of the educational loans of primary care physicians who agree to serve in Designated Shortage Areas*~~designated shortage areas~~ for a specified period of time, no less than 2 years.
- b) Payments under this program may be ~~made used~~ for the ~~principal-principle~~, interest and related expenses of government and commercial loans received by the individual and used for tuition expenses, and all other reasonable educational expenses incurred by the individual.
- c) The maximum annual payment which may be made to an individual under the Act and this Part~~this law~~ is \$20,000, or 25%~~percent~~ of the total covered educational indebtedness, whichever is less.
- d) Payments made under this Section shall be exempt from Illinois State income tax. (Section 4.10 of the Act)~~(Payments are not exempt from federal income tax.)~~
- e) Funds ~~shall may~~ not be used to monetarily repay a practice obligation resulting from educational loans or scholarships, whether from Illinois based institutions or governments, or those in other states ~~(Section 4.10 of the Act)~~.

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

Section 590.310 Eligibility for Application

- a) Any Illinois licensed physician who intends to practice, or is practicing in a primary care specialty in a designated shortage area of Illinois may apply for educational loan repayment.
- b) 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 medical degree. Documentation~~Such 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, interest rate, and any amounts repaid prior to the date of application.
- c) Applicants shall be practicing, or be willing to practice, full-time in a designated shortage ~~area~~area(s) in Illinois.

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- d) Applicants not yet in practice, or not yet in practice in a designated shortage ~~area~~~~area(s)~~ of Illinois, shall document intent to do so by written confirmation from a community-based organization or agency, or from other physicians located within the designated shortage area.
- e) Physicians having practice obligations to the National Health Service Corps or the Illinois Medical Student Scholarship Program may apply for educational loan repayment after completion of the practice obligation.

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

Section 590.320 Selection Criteria for Distribution of Loan Repayment Funds

- a) When numbers of applications are sufficient to support a ~~geographic~~~~geographical~~ separation into urban and rural groupings, an equal number of applicants will be selected from each of the groups.
- b) When numbers of applications are sufficient, an equal number of applicants shall be selected from ~~the city of~~ Chicago and from the remaining urban areas in the State.
- c) Preference shall be given to applications from physicians who have been recruited by, or are actively involved with, a community-based organization or group having as one of its goals the improvement or maintenance of the availability and accessibility of primary health care in its area.
- d) When all other selection criteria are ~~essentially~~ equal among a group of applicants, preference will be given to the applicant with the greater educational indebtedness.
- e) ~~The Department will review applications~~~~Applications~~ from physicians ~~received by the Department shall be reviewed~~ on a quarterly basis, and the following priority classifications of the location and other characteristics of the practice shall be applied:
 - 1) Rural Selection Priority Classifications, From Highest to Lowest
 - A) Population-to-primary care physician ratio of at least 2400:1, new

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- physician establishing practice in the area, and endorsed by a community-based group or organization.
- B) Population-to-primary care physician ratio of at least 2400:1, new physician establishing practice in the area, with no endorsement by a community-based group or organization.
- C) Population-to-primary care physician ratio between 1800:1 and 2399:1 and where at least one-third of the primary care physicians in the area are aged 60 or more, new physician establishing practice in the area, and endorsed by a community-based group or organization.
- D) Population-to-primary care physician ratio between 1800:1 and 2399:1 and where at least one-third of the primary care physicians in the area are aged 60 or more, new physician establishing practice in the area, with no endorsement by a community-based group or organization.
- E) Facilities designated under Section 590.410 of this Part, and new physician recruited to the facility.
- F) Population-to-primary care physician ratio of at least 2400:1, physician with practice in the area for 24 months or less.
- G) Population-to-primary care physician ratio between 1800:1 and 2399:1 and where at least one-third of the primary care physicians in the area are aged 60 or more, physician with practice in the area for 24 months or less.
- 2) Urban Selection Priority Classifications, From Highest to Lowest
- A) Population-to-primary care physician ratio of at least 30004:1, new physician establishing practice in the area, and endorsed by a community-based group or organization.
- B) Population-to-primary care physician ratio of at least 3000:1, new physician establishing practice in the area, and no formal endorsement from a community-based group or organization.

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- C) Public and nonprofit private medical facilities that are designated as being in shortage areas~~Facilities designated~~ under Section 590.410~~(a)(3) of this Part~~, and new physicians~~physician~~ recruited to these facilities~~the facility~~.
- D) Population-to-primary care physician ratio of at least 3000:1, physician with practice in the area for 24 months or less.
- f) Applications shall be accepted between July 1 and September 30 and considered for funding according to the criteria described in subsection (e). If all funds appropriated to this program for a specific fiscal year are not expended during the initial submission of applications, subsequent application cycles shall extend from October 1 to December 31, January 1 to March 31, and April 1 to June 30.

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

Section 590.330 Terms of Performance

- a) Each physician selected for educational loan repayment shall sign a written contract ~~(See Appendix D)~~ with the Department. The contract ~~shall~~may contain ~~additional~~ terms and conditions ~~that~~which ensure compliance with the laws of the State of Illinois and this Part, and enforcement of the contract.
- b) Each physician~~Physicians~~ selected for loan repayment shall practice as a primary care physician in a designated shortage area on a full-time basis (~~see~~See Subpart A, Section 590.20 for definition of full-time physician, by primary care specialty).
- c) Loan repayment recipients who move their practice from the location described in the recipient's original application shall relocate to an area ~~that~~which qualifies for the same or a higher priority ranking. Relocating to a lower priority area ~~shall~~would result in termination of the loan repayment contract. If a recipient relocates to a lower priority area and has his or her loan repayment contract terminated, the~~The~~ recipient shall be eligible to reapply for the loan repayment program and be considered among all other applicants. If a loan repayment recipient relocates to a lower priority area, has his or her loan repayment contract terminated and either does not reapply for loan repayment assistance or is not selected for loan repayment assistance, the recipient shall immediately remit to the Department all funds that were previously provided to the recipient.

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- d) Loan repayment recipients who elect to have payments made on their behalf directly to the financial institution to which they are obligated may have payments made up to six months in advance if the financial institution so agrees. ~~If in the event~~ the physician moves from the designated shortage area during the period for which loan repayment has been made, he or she shall repay any prorated amounts to the Department ~~any prorated amounts~~.
- e) Loan repayment recipients who elect to have payments made directly to themselves shall make loan payments, then present documentation of payment (~~e.g. i.e.~~, cancelled checks) to the Department. Direct payments to recipients will be made on a quarterly basis.
- f) Misrepresentation of any material~~the~~ facts presented in the application will be considered a breach of contract. If the Department determines that a breach of contract has occurred, any~~Any~~ funds provided by the Department for the repayment of educational loans shall be due in full immediately ~~in full~~.
- g) ~~If in the event~~ the physician does not repay any funds owed to the Department, the Department ~~shall~~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 _____)

SUBPART E: DESIGNATION OF SHORTAGE AREAS

Section 590.400 Data Elements Used in Designation Process

- a) Population counts and demographic information describing a rational ~~service~~ area are ~~those~~ available in the most recently published decennial population census prepared by the U.S. Department of Commerce, Bureau of the Census.
- b) Information regarding physicians practicing in an area is collected by Department staff. Such information includes specialty, practice ~~locations~~location(s), amount of time in practice per week, and approximate or exact age of physician.
- c) Full-time-equivalencies for primary care physicians are calculated comparing a physician's office hours per week to that reported nationally by the American Medical Association (~~see~~See Subpart A, Section 590.20).

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- d) ~~The number~~The number of obstetricians providing patient care in a particular year in Illinois will be obtained from the American Medical Association's Center for Health Policy Research.
- e) ~~The number~~The number of live births in a particular year in Illinois will be obtained from the Department.

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

Section 590.410 Criteria for Designating Shortage Areas

- a) Shortage areas may include the following:
 - 1) *An urban or rural area which is a rational area for the delivery of health services;*
 - 2) *A population group; or*
 - 3) *A public or nonprofit private medical facility. (Section 3.04 of the Act)*
- b) Areas and population groups designated by the U.S. Department of Health and Human Services (~~see~~See 42 CFR 5) as having shortages of primary care physicians shall qualify for purposes described in this Part.
- c) Additional areas shall be designated using the following criteria:
 - 1) Urban service areas with a population-to-primary care physician ratio of at least 3000:1;
 - 2) Rural service areas with a population-to-primary care physician ratio of at least 2400:1;
 - 3) Rural service areas with a population-to-primary care physician ratio between 1800:1 and 2399:1, and where one-third of the primary care physicians in the area are 60 years of age or older;
 - 4) Urban or rural areas where board certified pediatricians or obstetrician/gynecologists are not practicing within the service area, and

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where there is sufficient need to support a full-time practice. Sufficient need, for the purposes of this subsection ~~(c)(4)~~, may be documented in the following manner:

- A) ~~At least~~ 80% of the ~~non-pediatricnon-pediatrician~~ (or ~~obstetric obstetrician~~) physicians ~~within the service area agreeagreeing~~ that there is a sufficient need.
 - B) At least 80% of the ~~pediatricpediatricians~~ (or ~~obstetricobstetrician~~) physicians ~~within the service area agreeagreeing~~ that there is sufficient need.
 - C) ~~Hospital administratorsAgreement by the hospitals~~ and local health department administrators ~~within the service area agree that there is sufficient need.~~
- 5) Rural service areas where the obstetricians having admitting privileges at a hospital with an obstetrical unit perform more deliveries per year than the statewide average. ~~The statewide average is~~ obtained by dividing the number of obstetricians providing patient care in Illinois ~~in a particular year~~ into the number of births in Illinois in ~~the same~~ year; and ~~whenwhere~~ the existing obstetricians and family ~~practice~~ physicians ~~within the service area~~ providing obstetrical care express, in writing, their need for additional obstetricians.
- d) Facilities whose mission is to provide care to underserved populations will be designated for purposes of this Part. ~~TheseSuch~~ facilities include:
- 1) Local health departments ~~thatwhich~~ establish primary care clinics, offering direct patient care on either a full or part-time basis;
 - 2) Any community health center or its satellite in Illinois ~~thatwhich~~ is funded through Section 330 of the Public Health Service Act ~~or is designated a Federally Qualified Health Center Look-Alike~~;
 - 3) Health clinics ~~thatwhich~~ can document that at least ~~5175~~ percent of their patients are a combination of the following:
 - A) Medicaid eligible;~~;~~ or

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- B) Qualify for reduced fees based on a sliding fee scale using as an upper limit 200 percent of the federal poverty level, as published annually in the Federal Register.

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

Section 590.420 Distribution of Lists of Designated Shortage Areas

~~a) Current listings~~ At least annually, updated listings of State and federally designated shortage areas ~~are~~ shall be available electronically ~~provided~~ to all recipients of Medical Student Scholarships, interested individuals, organizations, local health departments, hospitals, primary care physicians and community health organizations at:
www.idph.state.il.us/about/rural_health/shortageareas.htm ~~made under this Part.~~

- b) ~~Listings of designated shortage areas shall be made available to interested individuals and organizations who request listings from the Department.~~
- e) ~~Notification of designation as a shortage area shall be provided to local health departments, hospitals, primary care physicians and community-based organizations.~~

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

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Section 590.APPENDIX A Sample Contract for Medical Student Scholarship (Student Contract) (Repealed)~~ILLINOIS DEPARTMENT OF PUBLIC HEALTH~~~~FAMILY PRACTICE RESIDENCY ACT
SCHOLARSHIP FOR MEDICAL STUDENTS~~~~STUDENT CONTRACT~~

~~The Illinois Department of Public Health (Department) and~~

~~(Name of Student)~~

~~hereby agree as follows:~~

- 1) ~~The Department shall pay the sum of \$_____ to~~

~~(Name of Medical School)~~

~~on behalf of Student pursuant to the Family Practice Residency Act, (Ill. Rev. Stat. 1989, ch. 144, par. 1451 et seq.) as amended, which is made a part hereof and fully incorporated herein.~~

- 2) ~~All funds paid to Student through the above named organization by Department pursuant to this Contract constitute a scholarship which shall be repaid to Department by Student unless Student is excused from repayment by Department pursuant to the terms of this Contract.~~
- 3) ~~If Student fails to complete medical studies because of academic failure, Student shall be discharged from any and all obligations under this Contract.~~
- 4) ~~If Student fails to complete medical studies for any reason other than academic failure, death or permanent disability, Student shall repay to Department all funds paid pursuant to this Contract. Repayment shall be made in equal monthly installments in such amounts so that all sums due and owing will be paid within a period of time equal to the period of time funds were paid, or as otherwise approved by Department. Payments shall begin within 30 days after Student leaves medical school.~~

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- ~~5) If Student dies or suffers total and permanent disability either while pursuing studies under this Act or, after Student's medical degree, while engaging in medical practice in Illinois up to the onset of fatal illness or such disability, the scholarship or any balance due on it shall be excused and deemed satisfied.~~
- ~~6) Student's service term shall begin within 30 days of Student's licensure to practice medicine, except that service may be deferred until completion of an approved residency program in primary care. In all cases where service is deferred, service shall begin within 30 days after Student leaves residency program.~~
- ~~7) Student may request an emergency deferment because of temporary personal disability or to fulfill family obligations which delay the start of Student's medical practice. Emergency deferments will be granted on a quarterly basis, at the discretion of Department. Student shall begin medical practice within 30 days of the ending date of the emergency deferment.~~
- ~~8) Upon Student's licensure to practice medicine or completion of an approved residency program in primary care, Student shall agree to enter into a contract with Department to serve as a full-time primary care physician engaged in direct patient care in only the designated shortage areas in Illinois approved as a practice site(s) for that individual. Full-time practice is defined in the Family Practice Residency Code, (77 Ill. Adm. Code 590). Upon request Student shall confirm, in writing, the location and office hours of the medical practice. The terms of this service shall be at the rate of one year of full-time service for each school year, or portion thereof that funds were paid.~~
- ~~9) If Student fails to perform any of the foregoing terms and conditions of this Contract, Student shall, in accordance with the Family Practice Residency Act, pay to Department a sum of money equal to three times the amount of the average annual scholarship grant for each year recipient fails to fulfill such obligation. Payment shall be made in equal monthly installments in such amounts so that all sums due and owing will be paid within a period of time equal to Student's remaining service term or as otherwise approved by Department. Payments shall begin within 30 days after Student fails to perform any of the terms and conditions of this Contract. In the event that Student fails to pay any required installment to Department, Department may file suit to collect all sums and future sums due and owing under this Contract or may refer the matter to a collection agency.~~

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- ~~10) Student shall inform Department, in writing, within seven days of any of the following changes:~~
 - ~~a) status as a student~~
 - ~~b) address~~
 - ~~c) illness, disability, or family considerations affecting obligations of this Contract~~
- ~~11) Notwithstanding any other provisions of this agreement, Student shall repay in full all funds received by Student pursuant to this agreement in the event of breach of any provisions of this agreement by Student within 60 days of written demand of Department.~~
- ~~12) Student shall pay all costs of suit, including attorney fees, and all collection costs in the event Department shall prevail in suit for money damages against Student pursuant to this Contract.~~
- ~~13) This Contract shall be governed in all respects by the laws of the State of Illinois.~~
- ~~14) This Contract may not be amended without prior written approval of both Department and Student.~~
- ~~15) This Contract may not be sold, assigned or transferred in any manner.~~
- ~~16) Department and Student understand and agree that this Contract constitutes the total agreement between them and that no promises, terms or conditions not recited herein or incorporated herein, or referenced herein shall be binding upon either Department or Student.~~
- ~~17) Obligations of Department will cease immediately without penalty of further payment being required if the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds for this Contract.~~
- ~~18) Student hereby certifies that Student has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor has Student made an admission of guilt of such conduct which is a matter of record.~~

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- 19) ~~Student agrees to comply with the provisions of the Illinois Purchasing Act (Ill. Rev. Stat. 1989, ch. 127, pars. 132.11-1 through 132.11-5) prohibiting conflict of interest.~~
- 20) ~~The Student certifies that Student is not in default on an educational loan as provided in Public Act 85-827.~~
- 21) ~~In the event the Family Practice Residency Act is amended while this Contract is in effect, this Contract shall be amended automatically to incorporate such amendments to such Law, provided that obligations of Student shall not be increased.~~
- 22) ~~In the event any portion of this Contract is held invalid by any court of law, the remaining terms and conditions shall remain in full force and effect.~~
- 23) ~~Obligations of Student shall remain in full force and effect until Student has either fulfilled the service obligation pursuant to the Family Practice Residency Act or repaid all funds to Department pursuant to the terms of this Contract.~~
- 24) ~~The term of this Contract is for the period July 1, 19__ through June 30, 19__. It is further understood between the parties hereto that this Contract is subject to appropriations to Department, in subsequent years, for the purpose herein described.~~
- 25) ~~Under penalties of perjury, I certify that the social security number shown below is my correct Federal Taxpayer Identification Number.~~

Executed this _____ day of _____, 19__.

Student

Director of Public Health

Social Security Number

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

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**Section 590.APPENDIX B Sample Contract for Scholarship Service Obligation
(Repealed)**~~ILLINOIS DEPARTMENT OF PUBLIC HEALTH~~~~FAMILY PRACTICE RESIDENCY ACT
SCHOLARSHIP FOR MEDICAL STUDENTS~~~~S E R V I C E C O N T R A C T~~~~For awards Made Before July 1986~~

~~The Illinois Department of Public Health (Department) and _____ (Contractor)
hereby agree as follows:~~

- ~~1) Paragraph ____ of Contract # _____ signed by Department and Contractor on
_____ requires Contractor to enter into a contract with
Department to serve as a full-time primary care physician engaged in direct patient care
in designated shortage areas in Illinois approved as practice site(s) for that individual. A
copy of Contract # _____ is attached and incorporated herein.~~
- ~~2) The Contractor received \$ _____ in academic year 19 ____-19 ____; \$ _____
in academic year 19 ____-19 ____; \$ _____ in academic year 19 ____-19 ____;
\$ _____ in academic year 19 ____-19 ____, totaling \$ _____. Copies of
the State of Illinois documents verifying award amounts are attached and incorporated
herein.~~
- ~~3) Contractor agrees to serve as a primary care physician at a rate of one year of full-time
service for each school year or portion thereof that funds were provided except that no
more than three years of service shall be provided. Contractor was provided funds for the
academic years detailed in item 2 above. Uninterrupted service shall begin
_____ and end _____. Uninterrupted
service is defined as continual full-time patient care except for time allowed for
continuing education, vacation, personal time, or sick time at the rate permitted by
written policies of contractor's employer or as approved by the Department, at the sole
discretion of the Department. The approved practice location shall be
_____.~~
- ~~4) Full-time practice for an _____ is defined as~~

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- ~~_____ () hours a week of direct patient care at the approved practice site(s) when services are not provided to office patients in the hospital setting.~~
- ~~5) If Contractor becomes disabled the terms and conditions of this Contract shall be suspended until such time as Contractor is able to resume repayment.~~
- ~~6) In the event the Contractor fails to perform any of the foregoing terms and conditions of this Contract, Contractor shall, in accordance with the Family Practice Residency Act, pay to the Department a sum of money equal to three times the amount of average scholarship grants for each year Contractor fails to fulfill such obligations. Payments shall be made in equal monthly installments in such amounts so that all sums due and owing will be paid within a period of time equal to the Contractor's remaining service term or as otherwise approved by the Department. Payments shall begin 30 days after Contractor fails to perform any of the terms and conditions of this Contract. In the event the Contractor fails to pay required installments to the Department, Department may file suit to collect all sums and future sums due and owing under this Contract or may refer the matter to a collection agency.~~
- ~~7) Contractor shall pay all costs of suit including attorney's fees and all collection costs in the event the Department shall prevail in suit for money damages against Contractor pursuant to this Contract.~~
- ~~8) Contractor shall inform Department in writing within seven days of any of the following changes:~~
- ~~a) status of employment,~~
- ~~b) address,~~
- ~~c) illness, disability, or family considerations affecting obligations of this Contract.~~
- ~~9) This Contract shall be governed in all respects by the laws of the State of Illinois.~~
- ~~10) This Contract may not be amended without prior written approval of both Department and Contractor.~~
- ~~11) This Contract may not be sold, signed or transferred in any manner.~~
- ~~12) The Department and Contractor understand and agree that this Contract constitutes the~~

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~~total agreement between them and that no promises, terms or conditions not recited, incorporated or referenced herein shall be binding upon either Department or Contractor.~~

- 13) ~~In the event the Family Practice Residency Act is amended while this Contract is in effect, this Contract shall be amended automatically to incorporate such amendments into law. However, obligations of the Contractor shall not be increased.~~
- 14) ~~In the event any portion of this Contract is held invalid by any court of competent jurisdiction, remaining terms shall remain in full force and effect.~~
- 15) ~~This Contract shall remain in full force and effect until Contractor has repaid all obligations to the Department pursuant to the terms of this Contract and all financial obligations shall be abated on a monthly basis in direct proportion to the service provided.~~
- 16) ~~Under penalties of perjury, I certify that the social security number shown below is my correct Federal Taxpayer Identification Number.~~

Executed this _____ day of _____, 19__.

Contractor

Director of Public Health

Social Security Number

~~ILLINOIS DEPARTMENT OF PUBLIC HEALTH~~

~~FAMILY PRACTICE RESIDENCY ACT
SCHOLARSHIP FOR MEDICAL STUDENTS~~

~~S E R V I C E C O N T R A C T~~

~~For Awards Made After June 1986~~

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The Illinois Department of Public Health (Department) and _____
(Contractor) hereby agree as follows:

- 1) Paragraph _____ of Contract # _____ signed by Department and Contractor on _____ requires Contractor to enter into a contract with Department to serve as a full-time primary care physician engaged in direct patient care in designated shortage areas in Illinois approved as practice site(s) for that individual. A copy of Contract # _____ is attached and incorporated herein.
- 2) The Contractor received \$ _____ in academic year 19__-19__; \$ _____ in academic year 19__-19__; \$ _____ in academic year 19__-19__; \$ _____ in academic year 19__-19__, totaling \$ _____. Copies of the State of Illinois documents verifying award amounts are attached and incorporated herein.
- 3) Contractor agrees to serve as a primary care physician at a rate of one year of full-time service for each school year or portion thereof that funds were provided except that no more than three years of service shall be provided. Contractor was provided funds for the academic years detailed in item 2 above. Uninterrupted service shall begin _____ and end _____. Uninterrupted service is defined as continual full-time patient care except for time allowed for continuing education, vacation, personal time, or sick time at the rate permitted by written policies of contractor's employer or as approved by the Department, at the sole discretion of the Department. The approved practice location shall be _____.
- 4) Full-time practice for an _____ is defined as _____ (-) hours a week of direct patient care at the approved practice site(s) when services are not provided to office patients in the hospital setting.
- 5) If Contractor becomes disabled the terms and conditions of this Contract shall be suspended until such time as Contractor is able to resume repayment.
- 6) In the event the Contractor fails to perform any of the foregoing terms and conditions of this Contract, Contractor shall, in accordance with the Family Practice Residency Act, pay to the Department a sum of money equal to three times the amount of average scholarship grants for each year Contractor fails to fulfill such obligations. Payments shall be made in equal monthly installments in such amounts so that all sums due and owing will be paid within a period of time equal to the Contractor's remaining service term or as otherwise approved by the Department. Payments shall begin 30 days after

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- ~~Contractor fails to perform any of the terms and conditions of this Contract. In the event the Contractor fails to pay required installments to the Department, Department may file suit to collect all sums and future sums due and owing under this Contract.~~
- 7) ~~Contractor shall pay all costs of suit including attorney's fees and all collection costs in the event the Department shall prevail in suit for money damages against Contractor pursuant to this Contract.~~
- 8) ~~Contractor shall inform Department in writing within seven days of any of the following changes:~~
- ~~a) status of employment,~~
 - ~~b) address,~~
 - ~~c) illness, disability, or family considerations affecting obligations of this Contract.~~
- 9) ~~This Contract shall be governed in all respects by the laws of the State of Illinois.~~
- 10) ~~This Contract may not be amended without prior written approval of both Department and Contractor.~~
- 11) ~~This Contract may not be sold, signed or transferred in any manner.~~
- 12) ~~The Department and Contractor understand and agree that this Contract constitutes the total agreement between them and that no promises, terms or conditions not recited, incorporated or referenced herein shall be binding upon either Department or Contractor.~~
- 13) ~~In the event the Family Practice Residency Act is amended while this Contract is in effect, this Contract shall be amended automatically to incorporate such amendments into law. However, obligations of the Contractor shall not be increased.~~
- 14) ~~In the event any portion of this Contract is held invalid by any court of competent jurisdiction, remaining terms shall remain in full force and effect.~~
- 15) ~~This Contract shall remain in full force and effect until Contractor has repaid all obligations to the Department pursuant to the terms of this Contract and all financial obligations shall be abated on a monthly basis in direct proportion to the services provided.~~

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16) ~~Under penalties of perjury, I certify that the social security number shown below is my correct Federal Taxpayer Identification Number.~~

~~Executed this _____ day of _____, 19__.~~

~~Contractor~~

~~Director of Public Health~~

~~Social Security Number~~

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

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Section 590.APPENDIX C Sample Contract for Monetary Repayment of Scholarship Obligation (Repealed)~~ILLINOIS DEPARTMENT OF PUBLIC HEALTH~~~~FAMILY PRACTICE RESIDENCY ACT
SCHOLARSHIP FOR MEDICAL STUDENTS~~~~REPAYMENT CONTRACT~~

The Illinois Department of Public Health (Department) and _____
(Contractor) hereby agree as follows:

- 1) Item _____ of the Contract signed by Department and Contractor on _____ allows a recipient of a medical student scholarship awarded through the Family Practice Residency Act to repay funds awarded; including a liquidated damages payment, rather than practice medicine in an underserved area of the State. A copy of the Contract is attached and shall become a part of this Contract.
- 2) The Contractor has elected to repay required funds in lieu of completing the practice commitment.
- 3) The Contractor received \$ _____ in academic year 19____-19____; \$ _____ in academic year 19____-19____; \$ _____ in academic year 19____-19____; \$ _____ in academic year 19____-19____; totaling \$ _____. Copies of State of Illinois documents verifying award amounts are attached and shall become a part of this Contract.
- 4) The Family Practice Residency Act required a sum equal to three times the amount of the annual scholarship grant for each year the Contractor fails to fulfill the obligation in an underserved area.
- 5) The total amount due the Illinois Department of Public Health is \$ _____. _____ monthly installments of \$ _____ are to be paid to the Department pursuant to Item _____ of the Contract. The first payment is due _____.

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- ~~6) The repayment checks are to be made payable to "Illinois Department of Public Health" and mailed to Illinois Department of Public Health, Division of Financial Services, 535 West Jefferson Street, Springfield, Illinois 62761, Attention: Manager—Fiscal Control. The payments are to be postmarked on or before the first day of the month.~~
- ~~7) In the event the Contractor fails to pay the Department any required installment, the Department may file suit to collect all sums and future sums due and owing under this Contract or may refer the matter to a collection agency.~~
- ~~8) Contractor shall pay all costs of suit, including attorney fees, and all collection costs in the event the Department shall prevail in suit for money damages against Contractor pursuant to this Contract.~~
- ~~9) If Contractor becomes disabled the terms and conditions of this Contract shall be suspended until such time as Contractor is able to resume repayment.~~
- ~~10) Contractor shall inform the Department, in writing, within 14 days of any change of address or any disability affecting obligations of this Contract.~~
- ~~11) This Contract shall be governed in all respects by the laws of the State of Illinois.~~
- ~~12) This Contract may not be amended without prior written approval of both Department and Contractor.~~
- ~~13) This Contract may not be sold, assigned or transferred in any manner.~~
- ~~14) The Department and Contractor understand and agree that this Contract constitutes the total agreement between them and that no promises, terms or conditions not recited, incorporated, or referenced herein shall be binding upon either Department or Contractor.~~
- ~~15) In the event the Family Practice Residency Act is amended while this Contract is in effect, this Contract shall be amended automatically to incorporate such amendments to such Law. However, obligations of contractor shall not be increased.~~
- ~~16) In the event any portion of this Contract is held invalid by any court of competent jurisdiction, the remaining terms and conditions shall remain in full force and~~

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~~effect.~~

- ~~17) This Contract shall remain in full force and effect until Contractor has repaid all funds to the Department pursuant to the terms of this Contract.~~
- ~~18) Under penalties of perjury, I certify that the social security number shown below is my correct Federal Taxpayer Identification Number.~~

Executed this _____ day of _____, 19__.

Contractor

Director

Social Security Number

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

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Section 590.APPENDIX D Sample Contract for Education Loan Repayment (Repealed)~~ILLINOIS DEPARTMENT OF PUBLIC HEALTH~~~~FAMILY PRACTICE RESIDENCY ACT
EDUCATIONAL LOAN REPAYMENT~~~~C O N T R A C T~~

The Illinois Department of Public Health (Department) and _____
(Contractor) agree as follows:

- ~~1) Contractor will provide patient care in the community or area indicated on the educational loan repayment application on a full-time basis, as defined in the Family Practice Residency Code, (77 Ill. Adm. Code Chapter I, Part 590) for a minimum period of two years.~~
- ~~2) Contractor will use funds to repay loans used only for educational purposes in pursuit of medical degree.~~
- ~~3) Contractor will provide the Department with photocopies of promissory notes or other evidence to document amount of indebtedness and the institutions owed.~~
- ~~4) Contractor will provide the Department with photocopies of cancelled checks to document payments Contractor has made for his/her educational loan indebtedness and for which reimbursement is sought from the Department.~~
- ~~5) Contractor may request from the Department written approval for the transfer of his or her educational loan repayment eligibility to another designated shortage area, if the new area is of the same, or a higher priority classification than the original practice location.~~
- ~~6) If Contractor moves to a practice location in a lower priority classification, or moves from an urban to a rural location, or vice versa, all educational loan repayment will cease immediately.~~
- ~~7) Department will make educational loan repayments directly to the Contractor, or to the financial or educational institution holding the indebtedness. Retrospective payments will be made to the Contractor on a quarterly basis. Prospective~~

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~~payments on the Contractor's behalf will be made on a quarterly basis directly to the financial or educational institution holding the indebtedness, if so agreed by the lender.~~

- ~~8) Department will pay twenty-five percent of the educational loan indebtedness, or up to \$20,000 whichever is less, for each year Contractor practices in the selected underserved area or facility. Should the Contractor fail to pay monies due, the Department may refer the matter to the Attorney General or to a collection agency.~~
- ~~9) If Contractor ceases full-time practice in an underserved area or facility or moves from the originally selected underserved area or facility to one with a lower priority ranking as described in 77 Illinois Administrative Code Chapter I, Part 590 before completing the required two years of practice, all sums paid to Contractor or paid on Contractor's behalf will be due to Department within 30 days of the practice change.~~
- ~~10) If Contractor moves from the approved practice area and the Department has made prospective payments to the financial or educational institution, Contractor must repay funds in direct proportion to the length of practice in the approved area.~~
- ~~11) Contractor shall pay all costs of suit, including attorney's fees and all collection costs, in the event the Department shall prevail in suit for money damages against Contractor pursuant to this Contract.~~
- ~~12) Contractor shall inform Department in writing within seven days of any changes in the following areas:
 - ~~a) status of employment or practice~~
 - ~~b) address~~
 - ~~c) illness, disability, or family considerations affecting obligations of this Contract~~~~
- ~~13) This Contract shall be governed in all respects by the laws of the State of Illinois.~~
- ~~14) This Contract may not be amended without prior written approval of both~~

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~~Department and Contractor.~~

- ~~15) This Contract may not be sold, signed or transferred in any manner.~~
- ~~16) The Department and Contractor understand and agree that this Contract constitutes the total agreement between them and that no promises, terms or conditions not recited, incorporated or referenced herein shall be binding upon either Department or Contractor.~~
- ~~17) Obligations of Department will cease immediately without penalty of further payment being required if the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds for this Contract.~~
- ~~18) Contractor certifies he/she has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor has Contractor made an admission of guilt of such conduct which is a matter of record.~~
- ~~19) Contractor certifies he/she is not in default on any educational loans as provided in Public Act 85-827.~~
- ~~20) Contractor agrees to allow Department to request from the lending institution an annual confirmation of the status of Contractor's educational loans.~~
- ~~21) In the event the Family Practice Residency Act is amended while this Contract is in effect, this Contract shall be amended automatically to incorporate such amendments into law. However, obligations of the Contractor shall not be increased.~~
- ~~22) In the event any portion of this Contract is held invalid by any court of competent jurisdiction, remaining terms shall remain in full force and effect.~~
- ~~23) This Contract shall remain in full force and effect until Contractor has repaid all obligations to the Department pursuant to the terms of this Contract and all financial obligations shall be abated on a monthly basis in direct proportion to the services provided.~~
- ~~24) Under penalties of perjury, I certify that the social security number shown below is my correct Federal Taxpayer Identification Number.~~

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The term of this Contract is _____ through _____.

Executed this _____ day of _____, 19__.

Contractor

Director of Public Health

Social Security Number

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