

1

H.607

2

Introduced by Representative Conquest of Newbury

3

Referred to Committee on

4

Date:

5

Subject: Health; health care providers; graduate medical education; primary

6

care; tax credits

7

Statement of purpose of bill as introduced: This bill proposes to increase the

8

primary care workforce in Vermont by providing tuition waivers for medical

9

students who choose to practice primary care in an underserved area of the

10

State, creating a recruitment program for medical students likely to pursue

11

primary care, directing that a certain portion of State graduate medical

12

education funding must go to family physician residency positions, and

13

creating income tax credits for primary care providers who practice in a rural,

14

underserved area of the State for at least five years.

15

An act relating to increasing the supply of primary care providers in

16

Vermont

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. 18 V.S.A. § 33 is added to read:

3 § 33. MEDICAL STUDENTS; PRIMARY CARE

4 (a)(1) The Department of Health, in collaboration with the Office of
5 Primary Care and Area Health Education Centers Program at the University of
6 Vermont College of Medicine (AHEC), shall establish a rural primary care
7 physician scholarship program. The scholarships shall cover the medical
8 school tuition for up to 20 medical students annually who commit to practicing
9 primary care for a minimum of five years in a rural, health professional
10 shortage or medically underserved area of this State, as defined by the federal
11 Health Resources and Services Administration.

12 (2) The cost of medical school tuition for the students awarded
13 scholarships under this subsection shall be borne as follows:

14 (A) one-third by the State of Vermont;

15 (B) one-third by the University of Vermont College of Medicine; and

16 (C) one-third by accountable care organizations certified pursuant to
17 chapter 220 of this title.

18 (3) A scholarship recipient who does not fulfill the commitment to
19 practice primary care for at least five years in a rural, health professional
20 shortage or medically underserved area of this State shall be liable for
21 repayment of the full amount of the scholarship.

1 (4) The Department shall adopt rules in accordance with 3 V.S.A.
2 chapter 25 as needed to specify the parameters of the scholarship program,
3 including establishing the criteria for scholarship eligibility.

4 (b) The Department of Health, in collaboration with AHEC, shall establish
5 a primary care student recruitment program focused on attracting and selecting
6 medical students who are likely to practice primary care following completion
7 of their medical education, with a goal that at least 50 percent of the medical
8 students who graduate from the medical school will pursue a primary care
9 medical career.

10 Sec. 2. 32 V.S.A. § 5813(y) is added to read

11 (y) The statutory purpose of the primary care access tax credit in section
12 5830f of this title is to increase access to primary care medical services in
13 rural, underserved areas of the State.

14 Sec. 3. 32 V.S.A. § 5830f is added to read:

15 § 5830f. PRIMARY CARE ACCESS TAX CREDIT

16 (a) Definitions. As used in this section:

17 (1) “Eligible primary care professional” means an individual licensed as
18 a physician under 26 V.S.A. chapter 23 or 33, as an advanced practice
19 registered nurse under 26 V.S.A. chapter 28, or as a physician assistant under
20 26 V.S.A. chapter 31, who, on or after January 1, 2021:

1 (A) practices primary care medicine in a rural, underserved area of
2 this State;

3 (B) is certified as eligible by the Department of Health under
4 subsection (c) of this section;

5 (C) agrees to practice primary care medicine for a minimum of 30
6 hours per week in a rural, underserved area for at least five years following
7 certification pursuant to subsection (c) of this section; and

8 (D) has an unpaid student loan owed to an institution for course work
9 directly related to the individual's training in primary care medicine.

10 (2) "Underserved area" means an area in this State that is a health
11 professional shortage area or medically underserved area or that contains a
12 medically underserved population as defined by the federal Health Resources
13 and Services Administration.

14 (b) Credit. An eligible primary care professional shall be allowed a credit
15 against the taxes due under this chapter as follows:

16 (1) The credit may be claimed in the first year that the eligible primary
17 care professional meets the conditions of eligibility for at least six months and
18 may continue to be claimed in each of the four subsequent years or until the
19 eligible primary care professional's student loan is paid in full, whichever
20 comes first.

1 (2) The credit may be claimed in an amount equal to the annual
2 payments made on the student loan, not to exceed \$15,000.00 per year.

3 (3) The credit shall not reduce the tax due under this chapter to less than
4 \$0.00.

5 (c) Eligibility limitation; certification.

6 (1) The Department of Health shall certify up to 15 eligible primary care
7 professionals each year.

8 (2) The Department of Health shall monitor certified primary care
9 professionals to ensure that they continue to be eligible for the credit under this
10 section and shall decertify any primary care professional who ceases to meet
11 the conditions of eligibility. The Department of Health shall notify the
12 Department of Taxes whenever a primary care professional is certified or
13 decertified.

14 (3) A decertified primary care professional ceases to be eligible for the
15 credit under this section beginning with the tax year during which the primary
16 care professional is decertified.

17 (d) Rules. The Department of Health shall adopt rules in accordance with
18 3 V.S.A. chapter 25 as needed to carry out the provisions of this section.

19 (e) Annual report. On or before January 15, 2023 and on or before
20 January 15 annually thereafter, the Department of Health and the Department
21 of Taxes shall report to the House Committees on Health Care and on Ways

1 and Means and the Senate Committees on Health and Welfare and on Finance
2 the number of eligible primary care professionals certified and decertified each
3 year by the Department of Health pursuant to this section and the total annual
4 loss of revenue attributable to the credit established in subsection (b) of this
5 section. The report of annual revenue loss pursuant to this subsection shall not
6 be construed to replace any of the responsibility of the Department of Taxes
7 for biennial tax expenditure reporting under section 312 of this title.

8 Sec. 4. 33 V.S.A. § 1901(h) is added to read:

9 (h) Any graduate medical education payments made by the Agency of
10 Human Services or Department of Vermont Health Access to a qualified
11 teaching hospital shall be contingent on the teaching hospital maintaining at
12 least 30 family physician residency positions by 2026.

13 Sec. 5. 18 V.S.A. chapter 1 is amended to read:

14 CHAPTER 1. DEPARTMENT OF HEALTH; GENERAL PROVISIONS

15 Subchapter 1. General Provisions

16 § 1. GENERAL POWERS OF DEPARTMENT OF HEALTH

17 * * *

18 Subchapter 2. Health Care Professions; Educational Assistance

19 * * *

1 Sec. 6. REDESIGNATIONS

2 (a) 18 V.S.A. § 10 (educational assistance; incentives; nurses) is
3 redesignated to be 18 V.S.A. § 31 in 18 V.S.A. chapter 1, subchapter 2.

4 (b) 18 V.S.A. § 10a (loan repayment for health care providers and Health
5 Care Educational Loan Repayment Fund) is redesignated to be 18 V.S.A. § 32
6 in 18 V.S.A. chapter 1, subchapter 2.

7 Sec. 7. EFFECTIVE DATES

8 (a) Secs. 1 (18 V.S.A. § 33), 5 (designation of subchapters in 18 V.S.A.
9 chapter 1), and 6 (redesignations) and this section shall take effect on passage,
10 with scholarships under 18 V.S.A. § 33(a) becoming available beginning with
11 the 2021-2022 academic year.

12 (b) Secs. 2 (32 V.S.A. § 5813(y); statutory purpose of tax expenditure) and
13 3 (32 V.S.A. § 5830f; primary care access tax credit) shall take effect on
14 January 1, 2021 and apply to taxable years beginning on January 1, 2021 and
15 thereafter, except that the Department of Health shall begin the rulemaking
16 process prior to January 1, 2021 in order to have rules in effect on or before
17 that date.

18 (c) Sec. 4 (33 V.S.A. § 1901(h)) shall take effect on July 1, 2020.