



2011 BILL

1 **AN ACT** *to repeal* 36.60 (1) (ad), 36.60 (1) (ae) and 36.60 (3) (am); *to amend*
2 20.285 (1) (qj) (title), 20.505 (8) (hm) 6r., 36.60 (title), 36.60 (2) (a) 1., 36.60 (2)
3 (b), 36.60 (3) (am), 36.60 (5) (b) 1., 36.60 (5) (b) 2., 36.60 (5) (b) 3., 36.60 (5) (b)
4 4., 36.60 (5) (b) 5., 36.60 (5) (d), 36.60 (6m) (intro.), 36.60 (8) (b), 36.60 (8) (d),
5 36.60 (8) (e), 36.60 (8) (f), 36.60 (8) (h), 36.60 (9) (intro.), 36.60 (9) (intro.), 36.60
6 (9) (a), 36.60 (9) (b), 36.60 (9) (c) (intro.), 36.60 (9) (c) 2., 36.60 (9) (c) 3., 36.61
7 (1) (ag) and 36.62 (1); and *to create* 20.235 (1) (dd), 20.235 (1) (jd), 20.235 (1)
8 (kd), 20.505 (8) (hm) 6t. and 39.465 of the statutes; **relating to:** grants for
9 dental students, and loan assistance for dentists, who agree to practice in
10 dental health shortage areas, or to provide services to Medical Assistance
11 recipients, in this state, granting rule-making authority, and making
12 appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Board of Regents of the University of Wisconsin System (Board of Regents) administers a physician and dentist loan assistance program

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under which the Board of Regents may repay up to \$50,000 in educational loans made to a dentist who agrees to practice for three years in a dental health shortage area in this state.

This bill prohibits the Board of Regents from entering into any agreements after June 30, 2012, to repay the educational loans of a dentist. Instead, effective on July 1, 2012, the bill directs the Higher Educational Aids Board (HEAB) to establish a dental student grant and dentist loan assistance program under which HEAB provides grants to dental students, and repays the educational loans of dentists, who agree to practice dentistry in dental health shortage areas in this state or to provide dental services to individuals who are residents of this state and who are recipients of Medical Assistance (resident MA recipients).

Specifically, the bill requires HEAB to make grants to resident students who are enrolled full time in a program of study in this state leading to a doctor of dental surgery (D.D.S.) degree and who enter into an agreement with HEAB under which the student agrees to practice dentistry in a dental health shortage area for the same number of years as the student received a grant or to provide dental services to not less than 50 resident MA recipients in the first year of the agreement and to not less than an additional 50 resident MA recipients in each of the next three years of the agreement. Under the bill, the maximum amount of a grant that a student may receive during a fiscal year is \$30,000 or an amount equal to the cost of tuition, fees, and expenses charged to attend the school of dentistry in which the student is enrolled for an academic year, whichever is less, and the maximum total amount of grants that a student may receive is \$120,000 or an amount equal to that cost for four academic years, whichever is less.

The bill also requires HEAB to provide loan assistance to dentists who enter into an agreement with HEAB under which the dentist agrees to practice dentistry in a dental health shortage area for five years or to provide dental services to not less than 50 resident MA recipients in the first year of the agreement and to not less than an additional 50 resident MA recipients in each of the next four years of the agreement. The bill, however, permits either HEAB or the dentist, at the end of two years, to elect to terminate the agreement or to continue the agreement for the remaining three years of the agreement. Under the bill, the maximum amount of loan assistance that a dentist may receive during a fiscal year is \$20,000 and the maximum total amount of loan assistance that a dentist may receive is \$100,000.

In addition, the bill permits HEAB to repay the educational loans of a dentist under an expanded dentist loan assistance program that is funded through federal funds in addition to state matching funds. To be eligible for loan assistance under the expanded dentist loan assistance program, a dentist must be a U.S. citizen, may not have a judgment lien against his or her property for a debt to the United States, and must agree to practice dentistry at a public or private nonprofit entity in a dental health shortage area for five years, to accept Medicare assignment as payment in full for services or articles provided, and to use a sliding fee scale or a comparable method of determining payment arrangements for patients who are not eligible for Medicare or MA and who are unable to pay the customary fee for the dentist's services.

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1 grants and dentist loan assistance under s. 39.465 and for costs associated with
2 repayment of those grants and that loan assistance under s. 39.465 (5).

3 **SECTION 4.** 20.235 (1) (kd) of the statutes is created to read:

4 20.235 (1) (kd) *Dental student grant and dentist loan assistance program;*
5 *Indian gaming receipts.* Biennially, the amounts in the schedule for dental student
6 grants and dentist loan assistance under s. 39.465. All moneys transferred from the
7 appropriation account under s. 20.505 (8) (hm) 6t. shall be credited to this
8 appropriation account. Notwithstanding s. 20.001 (3) (b), the unencumbered
9 balance on June 30 of each odd-numbered year shall revert to the appropriation
10 account under s. 20.505 (8) (hm).

11 **SECTION 5.** 20.285 (1) (qj) (title) of the statutes is amended to read:

12 20.285 (1) (qj) (title) *Physician and dentist and health care provider loan*
13 *assistance programs; critical access hospital assessment fund.*

14 **SECTION 6.** 20.505 (8) (hm) 6r. of the statutes, as affected by 2011 Wisconsin Act
15 32, is amended to read:

16 20.505 (8) (hm) 6r. In each fiscal year \$488,700 \$278,700 to the Board of
17 Regents of the University of Wisconsin System for loan repayments under ss. 36.60
18 and 36.61.

19 **SECTION 7.** 20.505 (8) (hm) 6t. of the statutes is created to read:

20 20.505 (8) (hm) 6t. The amount transferred to s. 20.235 (1) (kd) shall be the
21 amount in the schedule under s. 20.235 (1) (kd).

22 **SECTION 8.** 36.60 (title) of the statutes is amended to read:

23 **36.60** (title) **Physician and dentist loan assistance program.**

24 **SECTION 9.** 36.60 (1) (ad) of the statutes is repealed.

25 **SECTION 10.** 36.60 (1) (ae) of the statutes is repealed.

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1 **SECTION 11.** 36.60 (2) (a) 1. of the statutes is amended to read:

2 36.60 (2) (a) 1. Except as provided in subd. 2., the board may repay, on behalf
3 of a physician ~~or dentist~~, up to \$50,000 in educational loans obtained by the physician
4 ~~or dentist~~ from a public or private lending institution for education in an accredited
5 school of medicine ~~or dentistry~~ or for postgraduate medical ~~or dental~~ training.

6 **SECTION 12.** 36.60 (2) (b) of the statutes is amended to read:

7 36.60 (2) (b) A physician ~~or dentist~~ who is a participant in the national health
8 service corps scholarship program under 42 USC 254n, or a physician ~~or dentist~~ who
9 was a participant in that program and who failed to carry out his or her obligations
10 under that program, is not eligible for loan repayment under this section.

11 **SECTION 13.** 36.60 (3) (am) of the statutes is amended to read:

12 36.60 (3) (am) The board shall enter into a written agreement with the dentist,
13 in which the dentist agrees to practice at least 32 clinic hours per week for 3 years
14 in one or more dental health shortage areas in this state or in a rural area. The
15 dentist shall also agree to care for patients who are insured or for whom dental health
16 benefits are payable under medicare, medical assistance, or any other governmental
17 program. The board may not enter into an agreement under this paragraph with a
18 dentist after June 30, 2012.

19 **SECTION 14.** 36.60 (3) (am) of the statutes, as affected by 2011 Wisconsin Act
20 (this act), is repealed.

21 **SECTION 15.** 36.60 (5) (b) 1. of the statutes is amended to read:

22 36.60 (5) (b) 1. The degree to which there is an extremely high need for medical
23 care in the eligible practice area, health professional shortage area, or rural area in
24 which a physician desires to practice ~~and the degree to which there is an extremely~~

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1 ~~high need for dental care in the dental health shortage area or rural area in which~~
2 ~~a dentist desires to practice.~~

3 **SECTION 16.** 36.60 (5) (b) 2. of the statutes is amended to read:

4 36.60 (5) (b) 2. The likelihood that a physician will remain in the eligible
5 practice area, health professional shortage area, or rural area, ~~and that a dentist will~~
6 ~~remain in the dental health shortage area or rural area,~~ in which he or she desires
7 to practice after the loan repayment period.

8 **SECTION 17.** 36.60 (5) (b) 3. of the statutes is amended to read:

9 36.60 (5) (b) 3. The per capita income of the eligible practice area, health
10 professional shortage area, or rural area in which a physician desires to practice ~~and~~
11 ~~of the dental health shortage area or rural area in which a dentist desires to practice.~~

12 **SECTION 18.** 36.60 (5) (b) 4. of the statutes is amended to read:

13 36.60 (5) (b) 4. The financial or other support for physician recruitment and
14 retention provided by individuals, organizations, or local governments in the eligible
15 practice area, health professional shortage area, or rural area in which a physician
16 desires to practice ~~and for dentist recruitment and retention provided by individuals,~~
17 ~~organizations, or local governments in the dental health shortage area or rural area~~
18 ~~in which a dentist desires to practice.~~

19 **SECTION 19.** 36.60 (5) (b) 5. of the statutes is amended to read:

20 36.60 (5) (b) 5. The geographic distribution of the physicians ~~and dentists who~~
21 have entered into loan repayment agreements under this section and the geographic
22 distribution of the eligible practice areas, health professional shortage areas, ~~dental~~
23 ~~health shortage areas,~~ and rural areas in which the eligible applicants desire to
24 practice.

25 **SECTION 20.** 36.60 (5) (d) of the statutes is amended to read:

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1 36.60 (5) (d) An agreement under sub. (3) does not create a right of action
2 against the state on the part of the physician,~~dentist~~, or lending institution for
3 failure to make the payments specified in the agreement.

4 **SECTION 21.** 36.60 (6m) (intro.) of the statutes, as affected by 2011 Wisconsin
5 Act 32, is amended to read:

6 36.60 (6m) PENALTIES. (intro.) The board shall, by rule, establish penalties to
7 be assessed by the board against physicians ~~and dentists~~ who breach agreements
8 entered into under sub. (3). The rules shall do all of the following:

9 **SECTION 22.** 36.60 (8) (b) of the statutes is amended to read:

10 36.60 (8) (b) Identify eligible practice areas and rural areas with an extremely
11 high need for medical care ~~and dental health shortage areas and rural areas with an~~
12 extremely high need for dental care.

13 **SECTION 23.** 36.60 (8) (d) of the statutes is amended to read:

14 36.60 (8) (d) Publicize the program under this section to physicians,~~dentists~~,
15 and eligible communities.

16 **SECTION 24.** 36.60 (8) (e) of the statutes is amended to read:

17 36.60 (8) (e) Assist physicians ~~and dentists~~ who are interested in applying for
18 the program under this section.

19 **SECTION 25.** 36.60 (8) (f) of the statutes is amended to read:

20 36.60 (8) (f) Assist communities in obtaining physicians' ~~and dentists'~~ services
21 through the program under this section.

22 **SECTION 26.** 36.60 (8) (h) of the statutes is amended to read:

23 36.60 (8) (h) Notwithstanding subs. (3) (b) and (5) (a) and (b), ensure that
24 moneys appropriated under s. 20.285 (1) (qj) are used under this section only to repay
25 loans on behalf of physicians ~~and dentists~~ who agree to practice in a rural area.

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1 **SECTION 27.** 36.60 (9) (intro.) of the statutes is amended to read:

2 36.60 (9) EXPANDED LOAN ASSISTANCE PROGRAM. (intro.) The board may agree to
3 repay loans as provided under this section on behalf of a physician or dentist under
4 an expanded physician and dentist loan assistance program that is funded through
5 federal funds in addition to state matching funds. The board may not agree under
6 this subsection to repay a loan on behalf of a dentist after June 30, 2012. To be eligible
7 for loan repayment under the expanded physician and dentist loan assistance
8 program, a physician or dentist must fulfill all of the requirements for loan
9 repayment under this section, as well as all of the following:

10 **SECTION 28.** 36.60 (9) (intro.) of the statutes, as affected by 2011 Wisconsin Act
11 (this act), is amended to read:

12 36.60 (9) EXPANDED LOAN ASSISTANCE PROGRAM. (intro.) The board may agree to
13 repay loans as provided under this section on behalf of a physician ~~or dentist~~ under
14 an expanded physician ~~and dentist~~ loan assistance program that is funded through
15 federal funds in addition to state matching funds. ~~The board may not agree under~~
16 ~~this subsection to repay a loan on behalf of a dentist after June 30, 2012.~~ To be eligible
17 for loan repayment under the expanded physician ~~and dentist~~ loan assistance
18 program, a physician ~~or dentist~~ must fulfill all of the requirements for loan
19 repayment under this section, as well as all of the following:

20 **SECTION 29.** 36.60 (9) (a) of the statutes is amended to read:

21 36.60 (9) (a) The physician ~~or dentist~~ must be a U.S. citizen.

22 **SECTION 30.** 36.60 (9) (b) of the statutes is amended to read:

23 36.60 (9) (b) The physician ~~or dentist~~ may not have a judgment lien against his
24 or her property for a debt to the United States.

25 **SECTION 31.** 36.60 (9) (c) (intro.) of the statutes is amended to read:

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1 36.60 (9) (c) (intro.) The physician ~~or dentist~~ must agree to do all of the
2 following:

3 **SECTION 32.** 36.60 (9) (c) 2. of the statutes is amended to read:

4 36.60 (9) (c) 2. Use a sliding fee scale or a comparable method of determining
5 payment arrangements for patients who are not eligible for medicare or medical
6 assistance and who are unable to pay the customary fee for the physician's ~~or~~
7 dentist's services.

8 **SECTION 33.** 36.60 (9) (c) 3. of the statutes is amended to read:

9 36.60 (9) (c) 3. Practice at a public or private nonprofit entity in a health
10 professional shortage area, ~~if a physician, or in a dental health shortage area, if a~~
11 dentist.

12 **SECTION 34.** 36.61 (1) (ag) of the statutes is amended to read:

13 36.61 (1) (ag) "Dental health shortage area" ~~has the meaning given in s. 36.60~~
14 ~~(1) (ad)~~ means an area that is designated by the federal department of health and
15 human services under 42 CFR part 5, appendix B, as having a shortage of dental
16 professionals.

17 **SECTION 35.** 36.62 (1) of the statutes is amended to read:

18 36.62 (1) Advise the board on matters related to the physician and dentist loan
19 assistance program under s. 36.60 and the health care provider loan assistance
20 program under s. 36.61.

21 **SECTION 36.** 39.465 of the statutes is created to read:

22 **39.465 Dental student grant and dentist loan assistance program. (1)**

23 DEFINITIONS. In this section:

24 (a) "Accredited school of dentistry" means a school of dentistry that is
25 accredited, as defined in s. 447.01 (1).

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1 (b) “Dental health shortage area” means an area that is designated by the
2 federal department of health and human services under 42 CFR part 5, appendix B,
3 as having a shortage of dental professionals.

4 (c) “Dentist” means a dentist, as defined in s. 447.01 (7), who is licensed under
5 ch. 447 and who practices general or pediatric dentistry.

6 (d) “Educational loan” means any loan that the board determines is exclusively
7 for educational purposes and that was obtained by a dentist from a public or private
8 lending institution for education at an accredited school of dentistry.

9 **(2) DENTAL STUDENT GRANTS.** (a) The board shall establish a grant program to
10 defray the cost of tuition, fees, and expenses for resident students who are enrolled
11 full time in a program of study leading to a doctor of dental surgery (D.D.S.) degree
12 at an accredited school of dentistry in this state and who agree to practice dentistry
13 or to provide dental services as provided in par. (c).

14 (b) Beginning in the 2012–13 fiscal year, the board shall make grants under this
15 subsection from the appropriations under s. 20.235 (1) (dd), (jd), and (kd). The
16 maximum amount of a grant that a student may receive under this subsection during
17 a fiscal year is \$30,000 or an amount equal to the cost of tuition, fees, and expenses
18 charged to attend the school of dentistry in which the student is enrolled for an
19 academic year, whichever is less. The maximum total amount that a student may
20 receive under this subsection is \$120,000 or an amount equal to the cost of tuition,
21 fees, and expenses charged to attend the school of dentistry in which the student is
22 enrolled for 4 academic years, whichever is less. Grants awarded under this
23 subsection shall be disbursed directly to the school of dentistry in which the student
24 is enrolled.

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1 (c) The board shall enter into a written agreement with a recipient of a grant
2 under this subsection under which the grant recipient agrees that, after he or she has
3 completed the program described in par. (a), the grant recipient will either practice
4 dentistry in a dental health shortage area for the same number of years as the grant
5 recipient received a grant under this subsection or will provide dental services to not
6 less than 50 individuals who are residents of this state and who are recipients of
7 Medical Assistance under subch. IV of ch. 49 in the first year of the agreement, not
8 less than 100 such individuals in the 2nd year of the agreement, not less than 150
9 such individuals in the 3rd year of the agreement, and not less than 200 such
10 individuals in the 4th year of the agreement. For purposes of counting the
11 individuals for whom a grant recipient is required to provide dental services, an
12 individual may be counted only once for a year regardless of the number of visits to
13 the dentist during that year.

14 **(3) DENTIST LOAN ASSISTANCE.** (a) The board shall establish a loan assistance
15 program to repay the educational loans of dentists who agree to practice dentistry
16 or to provide dental services as provided in par. (c) or sub. (4). A dentist who is a
17 participant in the National Health Service Corps Scholarship Program under 42
18 USC 254n, or who was a participant in that program and who failed to carry out his
19 or her obligations under that program, is not eligible for loan assistance under this
20 subsection or sub. (4).

21 (b) Beginning in the 2012–13 fiscal year, the board shall provide loan assistance
22 under this subsection and sub. (4) from the appropriations under s. 20.235 (1) (dd),
23 (jd), and (kd). The maximum total amount of loan assistance that a dentist may
24 receive under this subsection and sub. (4) during a fiscal year is \$20,000. The

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1 maximum amount that a dentist may receive under this subsection and sub. (4) is
2 \$100,000.

3 (c) 1. The board shall enter into a written agreement with a recipient of loan
4 assistance under this subsection or sub. (4) under which the recipient agrees that he
5 or she will either practice dentistry in a dental health shortage area for 5 years or
6 will provide dental services to not less than 50 individuals who are residents of this
7 state and who are recipients of Medical Assistance under subch. IV of ch. 49 in the
8 first year of the agreement, not less than 100 such individuals in the 2nd year of the
9 agreement, not less than 150 such individuals in the 3rd year of the agreement, not
10 less than 200 such individuals in the 4th year of the agreement, and not less than
11 250 such individuals in the 5th year of the agreement. For purposes of counting the
12 individuals for whom a recipient is required to provide dental services, an individual
13 may be counted only once for a year regardless of the number of visits to the dentist
14 during that year.

15 2. The term of an agreement under subd. 1. shall be for 5 years, except that at
16 the end of 2 years either the board or the recipient may elect either to terminate the
17 agreement or to continue the agreement for the remaining 3 years of the agreement.

18 3. An agreement under subd. 1. shall specify that the responsibility of the board
19 to provide loan assistance under the agreement is subject to the availability of funds
20 in the appropriations under s. 20.235 (1) (dd), (jd), and (kd).

21 **(4) EXPANDED DENTIST LOAN ASSISTANCE.** The board may also agree as provided
22 in sub. (3) to repay the educational loans of a dentist under an expanded dentist loan
23 assistance program that is funded through federal funds in addition to state
24 matching funds. To be eligible for loan assistance under the expanded dentist loan
25 assistance program, a dentist must be a U.S. citizen, may not have a judgment lien

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1 against his or her property for a debt to the United States, and must agree to practice
2 dentistry at a public or private nonprofit entity in a dental health shortage area for
3 5 years, to accept medicare assignment as payment in full for services or articles
4 provided, and to use a sliding fee scale or a comparable method of determining
5 payment arrangements for patients who are not eligible for medicare or medical
6 assistance and who are unable to pay the customary fee for the dentist's services.

7 **(5) BREACH OF AGREEMENT.** If a grant or loan assistance recipient breaches his
8 or her agreement under sub. (2) (c), (3) (c), or (4), the board shall require the recipient
9 to repay the entire amount of grant or loan assistance provided, plus interest at a rate
10 of 5 percent per year from the date on which the grant or loan assistance was provided
11 to the date of repayment in full of the entire amount of grant or loan assistance
12 provided. The board shall also require the grant or loan assistance recipient to pay
13 a penalty of \$5,000 for each year in which the recipient is in breach of his or her
14 obligations under the agreement. The board shall transfer to the secretary of
15 administration all repayments, interest, and penalty payments received under this
16 subsection to the secretary of administration for deposit in the general fund. The
17 secretary of administration shall credit all amounts transferred under this
18 subsection to the appropriation account under s. 20.235 (1) (jd).

19 **(6)** The board shall promulgate rules to implement and administer this section.

SECTION 37. Nonstatutory provisions.

20 **(1) DENTAL STUDENT GRANT AND DENTIST LOAN ASSISTANCE PROGRAM.**

21 **(a) Permanent rules.** The higher educational aids board shall submit in
22 proposed form the rules required under section 39.465 (6) of the statutes, as created
23 by this act, to the legislative council staff under section 227.15 (1) of the statutes no
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1 later than the first day of the 4th month beginning after the effective date of this
2 paragraph.

3 (b) *Economic impact analysis not required.* Notwithstanding section 227.137
4 (2) of the statutes, the higher educational aids board is not required to prepare an
5 economic impact analysis for the rules required under section 39.465 (6) of the
6 statutes, as created by this act.

7 (c) *Emergency rules.* Using the procedure under section 227.24 of the statutes,
8 the higher educational aids board may promulgate the rules required under section
9 39.465 (6) of the statutes, as created by this act, for the period before the effective date
10 of the rules submitted under paragraph (a), but not to exceed the period authorized
11 under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24
12 (1) (a), (2) (b), and (3) of the statutes, the board is not required to provide evidence
13 that promulgating a rule under this paragraph as an emergency rule is necessary for
14 the preservation of the public peace, health, safety, or welfare and is not required to
15 provide a finding of emergency for a rule promulgated under this paragraph.

16 **SECTION 38. Effective dates.** This act takes effect on July 1, 2012, except as
17 follows:

18 (1) **DENTIST LOAN ASSISTANCE.** The treatment of sections 20.285 (1) (qj) (title),
19 36.60 (title), (1) (ad) and (ae), (2) (a) 1. and (b), (5) (b) 1., 2., 3., 4., and 5. and (d), (6m)
20 (intro.), (8) (b), (d), (e), (f), and (h), and (9) (intro.) (by SECTION 28), (a), (b), (c) (intro.),
21 2., and 3., 36.61 (1) (ag), and 36.62 (1) of the statutes and the repeal of section 36.60
22 (3) (am) of the statutes take effect on July 1, 2015.

23 (END)