
SUBSTITUTE SENATE BILL 5502

State of Washington

61st Legislature

2009 Regular Session

By Senate Higher Education & Workforce Development (originally sponsored by Senators Keiser, Pflug, Franklin, Murray, Roach, Marr, Kohl-Welles, and Shin)

READ FIRST TIME 02/25/09.

1 AN ACT Relating to primary care physician training; amending RCW
2 28B.15.910; adding new sections to chapter 28B.15 RCW; adding new
3 sections to chapter 28B.20 RCW; creating new sections; and providing an
4 expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** INTENT. The legislature finds that there is
7 a critical shortage of primary care physicians in the state especially
8 in rural areas. Primary care physicians operate as the entry point
9 into the health care system and as such play a vital role in improving
10 quality and controlling the costs of health care. It is the
11 legislature's intent to create incentives for medical school students
12 to choose primary care practice for their medical careers.

13 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
14 section apply throughout this chapter unless the context clearly
15 requires otherwise.

16 (1) "Conditional tuition waiver" means a loan that is forgiven in
17 whole or in part if the recipient renders service as a primary care
18 physician in this state.

1 (2) "Eligible student" means a resident student, as defined in RCW
2 28B.15.012, who is registered for at least six credit hours or the
3 equivalent, is making satisfactory academic progress as defined by the
4 university, has declared primary care medicine for his or her major,
5 and has a declared intention to practice primary care medicine in the
6 state of Washington.

7 (3) "Forgiven" or "to forgive" or "forgiveness" means to practice
8 primary care medicine in the state of Washington in lieu of monetary
9 repayment.

10 (4) "Participant" means an eligible student who has received a
11 conditional tuition waiver under this chapter.

12 (5) "Primary care" means a physician licensed under chapter 18.71
13 RCW who is specifically trained for family practice medicine and
14 skilled in comprehensive first contact and continuing care for persons
15 with any undiagnosed sign, symptom, or health concern not limited by
16 problem origin, organ system, or diagnosis. Primary care includes
17 health promotion, disease prevention, health maintenance, counseling,
18 patient education, and diagnosis and treatment of acute and chronic
19 illness, in a variety of health care settings. Primary care is
20 performed and managed by a personal physician often collaborating with
21 other health professionals and using consultation or referral as
22 appropriate.

23 (6) "Satisfied" means paid-in-full.

24 (7) "University" means the University of Washington.

25 NEW SECTION. **Sec. 3.** PROGRAM ESTABLISHED. The primary care
26 physician conditional tuition waiver program is established. The
27 program shall be administered by the university. In administering the
28 program, the university has the following powers and duties:

29 (1) To adopt necessary rules and guidelines;

30 (2) To publicize the program;

31 (3) To collect and manage repayments from students who do not meet
32 their obligations under this chapter; and

33 (4) To solicit and accept grants and donations from public and
34 private sources for the program.

35 NEW SECTION. **Sec. 4.** SELECTION OF PARTICIPANTS--PROCESS. (1) The

1 university shall select participants based on the application process
2 conducted by the university.

3 (2) The university shall create a standard process for medical
4 school students to declare their intention to be primary care
5 physicians for the purposes of participating in the primary care
6 physician conditional tuition waiver program. Applicants accepted into
7 the program must provide the university with a signed contract
8 accepting the terms of the program.

9 (3) Students who comply with subsection (2) of this section may be
10 awarded conditional tuition waivers under this chapter, subject to
11 available funds.

12 NEW SECTION. **Sec. 5.** CONTINUED ELIGIBILITY. To remain an
13 eligible student and receive continuing disbursements under the
14 program, a participant must be considered by the university to be
15 making satisfactory academic progress.

16 NEW SECTION. **Sec. 6.** AWARD OF TUITION WAIVERS--AMOUNT--DURATION.
17 The amount of the conditional tuition waiver awarded an individual may
18 not exceed the amount of resident tuition and fees at the university
19 incurred by an eligible student and approved by a financial aid
20 administrator at the university. Participants are eligible to receive
21 conditional tuition waivers for a maximum of four years.

22 NEW SECTION. **Sec. 7.** REPAYMENT OBLIGATION--RULES. (1) A
23 participant in the conditional tuition waiver program incurs an
24 obligation to repay the tuition waiver, with interest, unless he or she
25 is employed as a primary care physician in Washington state for two
26 years for every one year of tuition received, under rules adopted by
27 the university.

28 (2) The interest rate shall be determined annually by the
29 university.

30 (3) The minimum payment shall be set by the university. The
31 maximum period for repayment is ten years, with payments of principal
32 and interest accruing quarterly commencing six months from the date the
33 participant completes or discontinues the course of study, including
34 any internship or residency in primary care medicine. Provisions for
35 deferral of payment shall be determined by the university.

1 (4) The entire principal and interest of each payment shall be
2 forgiven for each payment period in which the participant is employed
3 as a primary care physician in this state until the entire repayment
4 obligation is satisfied. Should the participant cease to be employed
5 as a primary care physician in this state before the participant's
6 repayment obligation is completed, payments on the unsatisfied portion
7 of the principal and interest shall begin the next payment period and
8 continue until the remainder of the participant's repayment obligation
9 is satisfied.

10 (5) The university is responsible for collection of repayments made
11 under this section and shall exercise due diligence in such collection,
12 maintaining all necessary records to ensure that maximum repayments are
13 made. Collection and servicing of repayments under this section shall
14 be pursued using the full extent of the law, including wage garnishment
15 if necessary. The university is responsible to forgive all or parts of
16 such repayments under the criteria established in this section and
17 shall maintain all necessary records of forgiven payments.

18 (6) Receipts from the payment of principal or interest or any other
19 subsidies to which the university as administrator is entitled, that
20 are paid by or on behalf of participants under this section, shall be
21 deposited in the primary care physician conditional tuition waiver
22 account and shall be used to cover the costs of granting the
23 conditional tuition waivers, maintaining necessary records, and making
24 collections under subsection (5) of this section. The university shall
25 maintain accurate records of these costs, and all receipts beyond those
26 necessary to pay such costs shall be used to grant conditional tuition
27 waivers to eligible students.

28 (7) The university shall adopt rules to define the terms of
29 repayment, including applicable interest rates, fees, and deferments.

30 **Sec. 8.** RCW 28B.15.910 and 2008 c 188 s 3 are each amended to read
31 as follows:

32 (1) For the purpose of providing state general fund support to
33 public institutions of higher education, except for revenue waived
34 under programs listed in subsections (3) and (4) of this section, and
35 unless otherwise expressly provided in the omnibus state appropriations
36 act, the total amount of operating fees revenue waived, exempted, or
37 reduced by a state university, a regional university, The Evergreen

1 State College, or the community colleges as a whole, shall not exceed
2 the percentage of total gross authorized operating fees revenue in this
3 subsection. As used in this section, "gross authorized operating fees
4 revenue" means the estimated gross operating fees revenue as estimated
5 under RCW 82.33.020 or as revised by the office of financial
6 management, before granting any waivers. This limitation applies to
7 all tuition waiver programs established before or after July 1, 1992.

- 8 (a) University of Washington 21 percent
- 9 (b) Washington State University 20 percent
- 10 (c) Eastern Washington University 11 percent
- 11 (d) Central Washington University 10 percent
- 12 (e) Western Washington University 10 percent
- 13 (f) The Evergreen State College 10 percent
- 14 (g) Community colleges as a whole 35 percent

15 (2) The limitations in subsection (1) of this section apply to
16 waivers, exemptions, or reductions in operating fees contained in the
17 following:

- 18 (a) RCW 28B.15.014;
- 19 (b) RCW 28B.15.100;
- 20 (c) RCW 28B.15.225;
- 21 (d) RCW 28B.15.380;
- 22 (e) RCW 28B.15.520;
- 23 (f) RCW 28B.15.526;
- 24 (g) RCW 28B.15.527;
- 25 (h) RCW 28B.15.543;
- 26 (i) RCW 28B.15.545;
- 27 (j) RCW 28B.15.555;
- 28 (k) RCW 28B.15.556;
- 29 (l) RCW 28B.15.615;
- 30 (m) RCW 28B.15.621 (2) and (4);
- 31 (n) RCW 28B.15.730;
- 32 (o) RCW 28B.15.740;
- 33 (p) RCW 28B.15.750;
- 34 (q) RCW 28B.15.756;
- 35 (r) RCW 28B.50.259; (~~and~~)
- 36 (s) RCW 28B.70.050; and
- 37 (t) Section 4 of this act.

1 (3) The limitations in subsection (1) of this section do not apply
2 to waivers, exemptions, or reductions in services and activities fees
3 contained in the following:

- 4 (a) RCW 28B.15.522;
- 5 (b) RCW 28B.15.540;
- 6 (c) RCW 28B.15.558; and
- 7 (d) RCW 28B.15.621(3).

8 (4) The total amount of operating fees revenue waived, exempted, or
9 reduced by institutions of higher education participating in the
10 western interstate commission for higher education western
11 undergraduate exchange program under RCW 28B.15.544 shall not exceed
12 the percentage of total gross authorized operating fees revenue in this
13 subsection.

- 14 (a) Washington State University 1 percent
- 15 (b) Eastern Washington University 3 percent
- 16 (c) Central Washington University 3 percent

17 (5) The institutions of higher education will participate in
18 outreach activities to increase the number of veterans who receive
19 tuition waivers. Colleges and universities shall revise the
20 application for admissions so that all applicants shall have the
21 opportunity to advise the institution that they are veterans who need
22 assistance. If a person indicates on the application for admissions
23 that the person is a veteran who is in need of assistance, then the
24 institution of higher education shall ask the person whether they have
25 any funds disbursed in accordance with the Montgomery GI Bill available
26 to them. Each institution shall encourage veterans to utilize funds
27 available to them in accordance with the Montgomery GI Bill prior to
28 providing the veteran a tuition waiver.

29 NEW SECTION. **Sec. 9.** A new section is added to chapter 28B.20 RCW
30 to read as follows:

31 The University of Washington shall provide medical school students
32 with information about the growth of patient and family-centered
33 primary care medical homes throughout the state as a desirable and
34 important strategy to improve quality of care.

35 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.20
36 RCW to read as follows:

1 Funding for graduate medical education shall be directed toward
2 residents-in-training in family medicine, internal medicine, and
3 pediatrics who plan to pursue primary care in Washington following
4 their residency programs.

5 NEW SECTION. **Sec. 11.** CAPTIONS NOT LAW. Captions used in this
6 act are not any part of the law.

7 NEW SECTION. **Sec. 12.** Sections 2 through 7 of this act are each
8 added to chapter 28B.15 RCW.

9 NEW SECTION. **Sec. 13.** This act expires July 1, 2019.

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