

1 AN ACT concerning education.

2 WHEREAS, The General Assembly finds and recognizes that  
3 there is a shortage of psychiatrists in designated shortage  
4 areas within this State; therefore

5 **Be it enacted by the People of the State of Illinois,**  
6 **represented in the General Assembly:**

7 Section 1. Short title. This Act may be cited as the  
8 Psychiatry Practice Incentive Act.

9 Section 5. Purpose. The purpose of this Act is to establish  
10 a program in the Department of Public Health to ensure access  
11 to psychiatric health care services for all citizens of the  
12 State, by establishing programs of grants, loans, and loan  
13 forgiveness to recruit and retain psychiatric service  
14 providers in designated areas of the State for physicians who  
15 will agree to establish and maintain psychiatric practice in  
16 areas of the State demonstrating the greatest need for more  
17 psychiatric care. The program shall encourage licensed  
18 psychiatrists to locate in areas where shortages exist and to  
19 increase the total number of such physicians in the State.

20 Section 10. Definitions. In this Act, unless the context  
21 otherwise requires:

1 "Department" means the Department of Public Health.

2 "Director" means the Director of Public Health.

3 "Designated shortage area" means an area designated by the  
4 Director as a psychiatric or mental health physician shortage  
5 area, as defined by the United States Department of Health and  
6 Human Services or as further defined by the Department to  
7 enable it to effectively fulfill the purpose stated in Section  
8 5 of this Act. Such areas may include the following:

9 (1) an urban or rural area that is a rational area for  
10 the delivery of health services;

11 (2) a population group; or

12 (3) a public or nonprofit private medical facility.

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

15 (1) He or she is an Illinois resident at the time of  
16 application for assistance under the program established  
17 by this Act.

18 (2) He or she is studying medicine in a medical school  
19 located in Illinois.

20 (3) He or she exhibits financial need, as determined by  
21 the Department.

22 (4) He or she agrees to practice full time in a  
23 designated shortage area as a psychiatrist for one year for  
24 each year that he or she receives assistance under this  
25 Act.

26 (5) He or she agrees to accept medical payments, as

1 defined in this Act, and to serve targeted populations.

2 "Medical facility" means a facility for the delivery of  
3 health services. "Medical facility" includes a hospital, State  
4 mental health institution, public health center, outpatient  
5 medical facility, rehabilitation facility, long-term care  
6 facility, federally-qualified health center, migrant health  
7 center, community health center, community mental health  
8 center, or State correctional institution.

9 "Medical payments" means compensation provided to  
10 physicians for services rendered under Article V of the  
11 Illinois Public Aid Code.

12 "Medically underserved area" means an urban or rural area  
13 designated by the Secretary of the United States Department of  
14 Health and Human Services as an area with a shortage of  
15 personal health services or as otherwise designated by the  
16 Department of Public Health.

17 "Medically underserved population" means (i) the  
18 population of an urban or rural area designated by the  
19 Secretary of the United States Department of Health and Human  
20 Services as an area with a shortage of personal health  
21 services, (ii) a population group designated by the Secretary  
22 of the United States Department of Health and Human Services as  
23 having a shortage of personal health services, or (iii) as  
24 otherwise designated by the Department of Public Health.

25 "Psychiatric physician" means a person licensed to  
26 practice medicine in all of its branches under the Medical

1 Practice Act of 1987 with board eligibility or certification in  
2 the specialty of psychiatry, as defined by recognized standards  
3 of professional medical practice.

4 "Psychiatric practice residency program" means a program  
5 accredited by the Residency Review Committee for Psychiatry of  
6 the Accreditation Council for Graduate Medical Education or the  
7 American Osteopathic Association.

8 "Targeted populations" means one or more of the following:

9 (i) a medically underserved population, (ii) persons in a  
10 medically underserved area, (iii) an uninsured population of  
11 this State, and (iv) persons enrolled in a medical program  
12 administered by the Illinois Department of Healthcare and  
13 Family Services.

14 "Uninsured population" means persons who (i) do not own  
15 private health care insurance, (ii) are not part of a group  
16 insurance plan, and (iii) are not eligible for any State or  
17 federal government-sponsored health care program.

18 Section 15. Powers and duties of the Department. The  
19 Department shall have all of the following powers and duties:

20 (1) To allocate funds to psychiatric practice  
21 residency and child and adolescent fellowship programs  
22 according to the following priorities:

23 (A) to increase the number of psychiatric  
24 physicians in designated shortage areas;

25 (B) to increase the percentage of psychiatric

1 physicians establishing practice within the State upon  
2 completion of residency;

3 (C) to increase the number of accredited  
4 psychiatric practice residencies within the State; and

5 (D) to increase the percentage of psychiatric  
6 practice physicians establishing practice within the  
7 State upon completion of residency.

8 (2) To determine the procedures for the distribution of  
9 the funds to psychiatric residency programs, including the  
10 establishment of eligibility criteria in accordance with  
11 the following guidelines:

12 (A) preference for programs that are to be  
13 established at locations that exhibit potential for  
14 extending psychiatric practice physician availability  
15 to designated shortage areas;

16 (B) preference for programs that are located away  
17 from communities in which medical schools are located;  
18 and

19 (C) preference for programs located in hospitals  
20 that have affiliation agreements with medical schools  
21 located within the State.

22 In distributing such funds, the Department may also  
23 consider as secondary criteria whether or not a psychiatric  
24 practice residency program has (i) adequate courses of  
25 instruction in the child and adolescent behavioral  
26 disorder sciences; (ii) availability and systematic

1 utilization of opportunities for residents to gain  
2 experience through local health departments, community  
3 mental health centers, or other preventive or occupational  
4 medical facilities; (iii) a continuing program of  
5 community oriented research in such areas as risk factors  
6 in community populations; (iv) sufficient mechanisms for  
7 maintenance of quality training, such as peer review,  
8 systematic progress reviews, referral system, and  
9 maintenance of adequate records; and (v) an appropriate  
10 course of instruction in societal, institutional, and  
11 economic conditions affecting psychiatric practice.

12 (3) To receive and disburse federal funds in accordance  
13 with the purpose stated in Section 5 of this Act.

14 (4) To enter into contracts or agreements with any  
15 agency or department of this State or the United States to  
16 carry out the provisions of this Act.

17 (5) To coordinate the psychiatric residency grants  
18 program established under this Act with other student  
19 assistance and residency programs administered by the  
20 Department and the Board of Higher Education under the  
21 Health Services Education Grants Act, including, but not be  
22 limited to, the establishment of criteria, standards and  
23 procedures that enable a person who has qualified and  
24 received assistance under the Family Practice Residency  
25 Act to receive credit under that Act for any additional  
26 training in the specialty of psychiatry recognized under

1           this Act and who practices as a psychiatrist in a  
2           designated shortage area. Creditable training and practice  
3           under this Act shall be considered sufficient evidence in  
4           meeting the service obligations under the Family Practice  
5           Residency Act.

6           (6) To design and coordinate a study for the purpose of  
7           assessing the characteristics of practice resulting from  
8           the psychiatric practice residency programs including, but  
9           not limited to, information regarding the nature and scope  
10          of practices, location of practices, years of active  
11          practice following completion of residency and other  
12          information deemed necessary for the administration of  
13          this Act.

14          (7) To establish a program, and the criteria for such  
15          program, for the repayment of the educational loans of  
16          physicians who agree to (i) serve in designated shortage  
17          areas for a specified period of time, no less than 3 years,  
18          (ii) accept medical payments, as defined in this Act, and  
19          (iii) serve targeted populations to the extent required by  
20          the program. Payments under this program may be made for  
21          the principal, interest, and related expenses of  
22          government and commercial loans received by the individual  
23          for tuition expenses and all other reasonable educational  
24          expenses incurred by the individual. Payments made under  
25          this provision are exempt from State income tax, as  
26          provided by law.

1           (8) To require psychiatric practice residency programs  
2 seeking grants under this Act to make application according  
3 to procedures consistent with the priorities and  
4 guidelines established in items (1) and (2) of this  
5 Section.

6           (9) To adopt rules and regulations that are necessary  
7 for the establishment and maintenance of the programs  
8 required by this Act.

9           Section 20. Application requirement; ratio of State  
10 support to local support. Residency programs seeking funds  
11 under this Act must make application to the Department. The  
12 application shall include evidence of local support for the  
13 program, either in the form of funds, services, or other  
14 resources. The ratio of State support to local support shall be  
15 determined by the Department in a manner that is consistent  
16 with the purposes of this Act, as set forth in Section 5 of  
17 this Act. In establishing such ratio of State support to local  
18 support, the Department may vary the amount of the required  
19 local support depending upon the criticality of the need for  
20 more professional health care services, the geographic  
21 location, and the economic base of the designated shortage  
22 area.

23           Section 25. Study participation. Residency programs  
24 qualifying for grants under this Act shall participate in the



1 study required in item (6) of Section 15 of this Act.

2 Section 30. Illinois Administrative Procedure Act. The  
3 Illinois Administrative Procedure Act is hereby expressly  
4 adopted and incorporated herein as if all of the provisions of  
5 such Act were included in this Act.

6 Section 35. Annual report. The Department shall annually  
7 report to the General Assembly and the Governor the results and  
8 progress of all programs established under this Act on or  
9 before March 15.

10 The annual report to the General Assembly and the Governor  
11 must include the impact of programs established under this Act  
12 on the ability of designated shortage areas to attract and  
13 retain physicians and other health care personnel. The report  
14 shall include recommendations to improve that ability.

15 The requirement for reporting to the General Assembly shall  
16 be satisfied by filing copies of the report with the Speaker,  
17 the Minority Leader, and the Clerk of the House of  
18 Representatives and the President, the Minority Leader and the  
19 Secretary of the Senate and the Legislative Research Unit, as  
20 required by Section 3.1 of the General Assembly Organization  
21 Act, and by filing such additional copies with the State  
22 Government Report Distribution Center for the General Assembly  
23 as is required under paragraph (t) of Section 7 of the State  
24 Library Act.

1           Section 40. Penalty for failure to fulfill obligation. Any  
2 recipient of assistance under this Act who fails to fulfill his  
3 or her obligation to practice full-time in a designated  
4 shortage area as a psychiatrist for one year for each year that  
5 he or she is a recipient of assistance shall pay to the  
6 Department a sum equal to 3 times the amount of the assistance  
7 provided for each year that the recipient fails to fulfill such  
8 obligation. A recipient of assistance who fails to fulfill his  
9 or her practice obligation shall have 30 days after the date on  
10 which that failure begins to enter into a contract with the  
11 Department that sets forth the manner in which that sum is  
12 required to be paid. The amounts paid to the Department under  
13 this Section shall be deposited into the Community Health  
14 Center Care Fund and shall be used by the Department to improve  
15 access to primary health care services as authorized by  
16 subsection (a) of Section 2310-200 of the Department of Public  
17 Health Powers and Duties Law of the Civil Administrative Code  
18 of Illinois (20 ILCS 2310/2310-200).

19           The Department may transfer to the Illinois Finance  
20 Authority, into an account outside of the State treasury,  
21 moneys in the Community Health Center Care Fund as needed, but  
22 not to exceed an amount established by rule by the Department  
23 to establish a reserve or credit enhancement escrow account to  
24 support a financing program or a loan or equipment leasing  
25 program to provide moneys to support the purposes of subsection

1 (a) of Section 2310-200 of the Department of Public Health  
2 Powers and Duties Law of the Civil Administrative Code of  
3 Illinois (20 ILCS 2310/2310-200). The disposition of moneys at  
4 the conclusion of any financing program under this Section  
5 shall be determined by an interagency agreement.