

AMENDMENT TO H.R. 4242

OFFERED BY MR. RUTHERFORD OF FLORIDA

At the appropriate place in the bill add the following
new title:

1 **TITLE _____ —IMPROVEMENTS TO**
2 **RECRUITMENT OF PHYSICIANS**

3 **SEC. ____ . DESIGNATED SCHOLARSHIPS FOR PHYSICIANS**
4 **AND DENTISTS UNDER DEPARTMENT OF VET-**
5 **ERANS AFFAIRS HEALTH PROFESSIONAL**
6 **SCHOLARSHIP PROGRAM.**

7 (a) SCHOLARSHIPS FOR PHYSICIANS AND DEN-
8 TISTS.—Section 7612(b) of title 38, United States Code,
9 is amended by adding at the end the following new para-
10 graph:

11 “(6)(A) Of the scholarships awarded under this sub-
12 chapter, the Secretary shall ensure that not less than 50
13 scholarships are awarded each year to individuals who are
14 accepted for enrollment or enrolled (as described in section
15 7602 of this title) in a program of education or training
16 leading to employment as a physician or dentist until such
17 date as the Secretary determines that the staffing short-
18 age of physicians and dentists in the Department is less
19 than 500.

1 “(B) After such date, the Secretary shall ensure that
2 of the scholarships awarded under this subchapter, a num-
3 ber of scholarships is awarded each year to individuals re-
4 ferred to in subparagraph (A) in an amount equal to not
5 less than ten percent of the staffing shortage of physicians
6 and dentists in the Department, as determined by the Sec-
7 retary.

8 “(C) Notwithstanding subsection (c)(1), the agree-
9 ment between the Secretary and a participant in the
10 Scholarship Program who receives a scholarship pursuant
11 to this paragraph shall provide the following:

12 “(i) The Secretary’s agreement to provide the
13 participant with a scholarship under this subchapter
14 for a specified number (from two to four) of school
15 years during which the participant is pursuing a
16 course of education or training leading to employ-
17 ment as a physician or dentist.

18 “(ii) The participant’s agreement to serve as a
19 full-time employee in the Veterans Health Adminis-
20 tration for a period of time (hereinafter in this sub-
21 chapter referred to as the ‘period of obligated serv-
22 ice’) of 18 months for each school year or part
23 thereof for which the participant was provided a
24 scholarship under the Scholarship Program.

1 “(D) In providing scholarships pursuant to this para-
2 graph, the Secretary may provide a preference for appli-
3 cants who are veterans.

4 “(E) On an annual basis, the Secretary shall provide
5 to appropriate educational institutions informational ma-
6 terial about the availability of scholarships under this
7 paragraph.”.

8 (b) BREACH OF AGREEMENT.—Section 7617 of such
9 title is amended—

10 (1) by redesignating paragraphs (4) and (5) as
11 paragraphs (5) and (6), respectively; and

12 (2) by inserting after paragraph (3) the fol-
13 lowing new paragraph (4):

14 “(4) In the case of a participant who is enrolled
15 in a program or education or training leading to em-
16 ployment as a physician, the participant fails to suc-
17 cessfully complete post-graduate training leading to
18 eligibility for board certification in a specialty.”.

19 (c) EXTENSION OF PROGRAM.—Section 7619 of such
20 title is amended by striking “December 31, 2019” and in-
21 serting “December 31, 2033”.

1 **“§ 7693. Eligibility; preference; covered costs**

2 “(a) ELIGIBILITY.—An individual is eligible to par-
3 ticipate in the Specialty Education Loan Repayment Pro-
4 gram if the individual—

5 “(1) is hired under section 7401 of this title to
6 work in an occupation described in section 7692 of
7 this title;

8 “(2) owes any amount of principal or interest
9 under a loan, the proceeds of which were used by or
10 on behalf of that individual to pay costs relating to
11 a course of education or training which led to a de-
12 gree that qualified the individual for the position re-
13 ferred to in paragraph (1); and

14 “(3) is—

15 “(A) recently graduated from an accredited
16 medical or osteopathic school and matched to
17 an accredited residency program in a medical
18 specialty described in section 7692 of this title;
19 or

20 “(B) a physician in training in a medical
21 specialty described in section 7692 of this title
22 with more than two years remaining in such
23 training.

24 “(b) PREFERENCE FOR VETERANS.—In selecting in-
25 dividuals for participation in the Specialty Education

1 Loan Repayment Program under this subchapter, the Sec-
2 retary may give preference to veterans.

3 “(c) COVERED COSTS.—For purposes of subsection
4 (a)(2), costs relating to a course of education or training
5 include—

6 “(1) tuition expenses;

7 “(2) all other reasonable educational expenses,
8 including expenses for fees, books, equipment, and
9 laboratory expenses; and

10 “(3) reasonable living expenses.

11 **“§ 7694. Specialty education loan repayment**

12 “(a) IN GENERAL.—Payments under the Specialty
13 Education Loan Repayment Program shall consist of pay-
14 ments for the principal and interest on loans described in
15 section 7682(a)(2) of this title for individuals selected to
16 participate in the Program to the holders of such loans.

17 “(b) FREQUENCY OF PAYMENT.—The Secretary
18 shall make payments for any given participant in the Spe-
19 cialty Education Loan Repayment Program on a schedule
20 determined appropriate by the Secretary.

21 “(c) MAXIMUM AMOUNT; WAIVER.—(1) The amount
22 of payments made for a participant under the Specialty
23 Education Loan Repayment Program may not exceed
24 \$160,000 over a total of four years of participation in the
25 Program, of which not more than \$40,000 of such pay-

1 ments may be made in each year of participation in the
2 Program.

3 “(2)(A) The Secretary may waive the limitations
4 under paragraph (1) in the case of a participant described
5 in subparagraph (B). In the case of such a waiver, the
6 total amount of payments payable to or for that partici-
7 pant is the total amount of the principal and the interest
8 on the participant’s loans referred to in subsection (a).

9 “(B) A participant described in this subparagraph is
10 a participant in the Program who the Secretary deter-
11 mines serves in a position for which there is a shortage
12 of qualified employees by reason of either the location or
13 the requirements of the position.

14 **“§ 7695. Choice of location**

15 “Each participant in the Specialty Education Loan
16 Repayment Program who completes residency may select,
17 from a list of medical facilities of the Veterans Health Ad-
18 ministration provided by the Secretary, at which such fa-
19 cility the participant will work in a medical specialty de-
20 scribed in section 7692 of this title.

21 **“§ 7696. Term of obligated service**

22 “(a) IN GENERAL.—In addition to any requirements
23 under section 5379(c) of title 5, a participant in the Spe-
24 cialty Education Loan Repayment Program must agree,

1 in writing and before the Secretary may make any pay-
2 ment to or for the participant, to—

3 “(1) obtain a license to practice medicine in a
4 State;

5 “(2) successfully complete post-graduate train-
6 ing leading to eligibility for board certification in a
7 specialty;

8 “(3) serve as a full-time clinical practice em-
9 ployee of the Veterans Health Administration for 12
10 months for every \$40,000 in such benefits that the
11 employee receives, but in no case for fewer than 24
12 months; and

13 “(4) except as provided in subsection (b), to
14 begin such service as a full-time practice employee
15 by not later than 60 days after completing a resi-
16 dency.

17 “(b) FELLOWSHIP.—In the case of a participant who
18 receives an accredited fellowship in a medical specialty
19 other than a medical specialty described in section 7692
20 of this title, the Secretary, on written request of the par-
21 ticipant, may delay the term of obligated service under
22 subsection (a) for the participant until after the partici-
23 pant completes the fellowship, but in no case later than
24 60 days after completion of such fellowship.

1 “(c) PENALTY.—(1) An employee who does not com-
2 plete a period of obligated service under this section shall
3 owe the Federal Government an amount determined in ac-
4 cordance with the following formula: $A=B\times((T-S)\div T)$
5 .

6 “(2) In the formula in paragraph (1):

7 “(A) ‘A’ is the amount the employee owes the
8 Federal Government.

9 “(B) ‘B’ is the sum of all payments to or for
10 the participant under the Specialty Education Loan
11 Repayment Program.

12 “(C) ‘T’ is the number of months in the period
13 of obligated service of the employee.

14 “(D) ‘S’ is the number of whole months of such
15 period of obligated service served by the employee.

16 **“§ 7697. Relationship to Educational Assistance Pro-**
17 **gram**

18 “Assistance under the Specialty Education Loan Re-
19 payment Program may be in addition to other assistance
20 available to individuals under the Educational Assistance
21 Program.”.

22 (b) CONFORMING AND TECHNICAL AMENDMENTS.—

23 (1) CONFORMING AMENDMENTS.—

24 (A) Section 7601(a) of title 38, United
25 States Code, is amended—

1 (i) in paragraph (4), by striking
2 “and”;

3 (ii) in paragraph (5), by striking the
4 period and inserting “; and”; and

5 (iii) by adding at the end the fol-
6 lowing new paragraph:

7 “(6) the specialty education loan repayment
8 program provided for in subchapter VIII of this
9 chapter.”.

10 (B) Section 7603(a)(1) of title 38, United
11 States Code, is amended by striking “or VI”
12 and inserting “VI, or VIII”.

13 (C) Section 7604 of title 38, United States
14 Code, is amended by striking “or VI” each
15 place it appears and inserting “VI, or VIII”.

16 (D) Section 7631 of title 38, United States
17 Code, is amended—

18 (i) in subsection (a)(1)—

19 (I) by striking “and” after
20 “scholarship amount”; and

21 (II) by inserting “, and the max-
22 imum specialty education loan repay-
23 ment amount” after “reduction pay-
24 ments amount”; and

1 (ii) in subsection (b) by adding at the
2 end the following new paragraph:

3 “(7) The term ‘specialty education loan repayment
4 amount’ means the maximum amount of specialty edu-
5 cation loan repayment payments payable to or for a partic-
6 ipant in the Department of Veterans Affairs Specialty
7 Education Loan Repayment Program under subchapter
8 VIII of this chapter, as specified in section 7694(c)(1) of
9 this title and as previously adjusted (if at all) in accord-
10 ance with this section.”.

11 (E) Section 7632 of title 38, United States
12 Code, is amended—

13 (i) in paragraph (1), by striking “and
14 the Education Debt Reduction Program”
15 and inserting “the Education Debt Reduc-
16 tion Program, and the Specialty Education
17 Loan Repayment Program”; and

18 (ii) in paragraph (4), by striking “and
19 per participant in the Education Debt Re-
20 duction Program” and inserting “per par-
21 ticipant in the Education Debt Reduction
22 Program, and per participant in the Spe-
23 cialty Education Loan Repayment Pro-
24 gram”.

1 (2) TABLE OF SECTIONS.—The table of sections
2 at the beginning of chapter 76 of such title is
3 amended by inserting after the items relating to sub-
4 chapter VII the following:

“SUBCHAPTER VIII—SPECIALTY EDUCATION LOAN REPAYMENT PROGRAM

“Sec.

“7691. Establishment.

“7692. Purpose.

“7693. Eligibility; preference; covered costs.

“7694. Specialty education loan repayment.

“7695. Choice of location.

“7696. Term of obligated service.

“7697. Relationship to Educational Assistance Program.”.

5 (c) NEEDS OF THE VHA.—In making determinations
6 each year under section 7692 of title 38, United States
7 Code, as enacted by subsection (a), the Secretary of Vet-
8 erans Affairs shall consider the anticipated needs of the
9 Veterans Health Administration during the period two to
10 six years in the future.

11 (d) OFFER DEADLINE.—In the case of an applicant
12 who applies before receiving a residency match and whom
13 the Secretary of Veterans Affairs selects for participation
14 in the Specialty Education Loan Repayment Program es-
15 tablished by subsection (a), the Secretary shall offer par-
16 ticipation to the applicant not later than 28 days after—

17 (1) the applicant matches with a residency in a
18 medical specialty described in section 7692 of title
19 38, United States Code, as enacted by subsection
20 (a); and

21 (2) such match is published.

1 (e) PUBLICITY.—The Secretary of Veterans Affairs
2 shall take such steps as the Secretary determines are ap-
3 propriate to publicize the Specialty Education Loan Re-
4 payment Program established under subchapter VIII of
5 chapter 76 of title 38, United States Code, as enacted by
6 subsection (a).

7 **SEC. ____ . VETERANS HEALING VETERANS MEDICAL AC-**
8 **CESS AND SCHOLARSHIP PROGRAM.**

9 (a) ESTABLISHMENT.—The Secretary of Veterans
10 Affairs, acting through the Office of Academic Affiliations
11 of the Department of Veterans Affairs, shall carry out a
12 pilot program under which the Secretary shall provide
13 funding for the medical education of a total of 18 eligible
14 veterans. Such funding shall be provided for two veterans
15 enrolled in each covered medical schools in accordance
16 with this section.

17 (b) ELIGIBLE VETERANS.—To be eligible to receive
18 funding for medical education under this section, a vet-
19 eran shall—

20 (1) have been discharged from the Armed
21 Forces not more than ten years before the date of
22 application for admission to a covered medical
23 school;

24 (2) not be entitled to educational assistance
25 under chapter 30, 31, 32, 33, 34, or 35 of title 38,

1 United States Code, or chapter 1606 or 1607 of title
2 10, United States Code;

3 (3) apply for admission to a covered medical
4 school for the entering class of 2019;

5 (4) indicate on such application for admission
6 that the veteran would like to be considered for an
7 award of funding under this section;

8 (5) meet the minimum admissions criteria for
9 the covered medical school to which the veteran ap-
10 plies; and

11 (6) enter into an agreement described in sub-
12 section (e).

13 (c) AWARD OF FUNDING.—

14 (1) IN GENERAL.—Each covered medical school
15 that opts to participate in the program under this
16 section shall reserve two seats in the entering class
17 of 2019 for eligible veterans who receive funding
18 under such program. Such funding shall be awarded
19 to the two eligible veterans with the highest admis-
20 sions rankings for such class at such school.

21 (2) AMOUNT OF FUNDING.—Each eligible vet-
22 eran who receives funding under this section shall
23 receive an amount equal to the actual cost of—

24 (A) tuition at the covered medical school at
25 which the veteran enrolls for four years;

1 (B) books, fees, and technical equipment;

2 (C) fees associated with the National Resi-
3 dency Match Program;

4 (D) two away rotations performed during
5 the fourth year at a Department of Veterans
6 Affairs medical facility; and

7 (E) a monthly stipend for the four-year pe-
8 riod during which the veteran is enrolled in
9 medical school in an amount to be determined
10 by the Secretary.

11 (3) DISTRIBUTION OF FUNDING.—In the event
12 that two or more eligible veterans do not apply for
13 admission at one of the covered medical schools for
14 the entering class of 2019, the Secretary shall dis-
15 tribute the available funding to eligible veterans who
16 applied for admission at other covered medical
17 schools.

18 (d) AGREEMENT.—

19 (1) TERMS OF AGREEMENT.—Each eligible vet-
20 eran who accepts funding for medical education
21 under this section shall enter into an agreement with
22 the Secretary that provides that the veteran
23 agrees—

24 (A) to maintain enrollment and attendance
25 in the medical school;

1 (B) while enrolled in such medical school,
2 to maintain an acceptable level of academic
3 standing (as determined by the medical school
4 under regulations prescribed by the Secretary);

5 (C) to complete post-graduate training
6 leading to eligibility for board certification in a
7 speciality applicable to the Department of Vet-
8 erans Affairs, as determined by the Secretary;

9 (D) after completion of medical school, to
10 obtain a license to practice medicine in a State;
11 and

12 (E) after completion of medical school and
13 post-graduate training, to serve as a full-time
14 clinical practice employee in the Veterans
15 Health Administration for a period of four
16 years.

17 (2) BREACH OF AGREEMENT.—If an eligible
18 veteran who accepts funding under this section
19 breaches the terms of the agreement described in
20 paragraph (1), the United States shall be entitled to
21 recover damages in an amount equal to the total
22 amount of such funding received by the veteran.

23 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
24 tion shall be construed to prevent any covered medical

1 school from accepting more than two eligible veterans for
2 the entering class of 2019.

3 (f) REPORT TO CONGRESS.—Not later than Decem-
4 ber 31, 2020, and annually thereafter for the subsequent
5 three years, the Secretary shall submit to Congress a re-
6 port on the pilot program under this section. Such report
7 shall include the evaluation of the Secretary of the success
8 of the pilot program, including the number of veterans
9 who received funding under the program who matriculated
10 and an evaluation of the academic progress of such vet-
11 erans.

12 (g) COVERED MEDICAL SCHOOLS.—In this section,
13 the term “covered medical school” means any of the fol-
14 lowing.

15 (1) The Teague-Cranston medical schools, con-
16 sisting of—

17 (A) Texas A&M College of Medicine;

18 (B) Quillen College of Medicine at East
19 Tennessee State University;

20 (C) Boonshoft School of Medicine at
21 Wright State University;

22 (D) Joan C. Edwards School of Medicine
23 at Marshall University; and

24 (E) University of South Carolina School of
25 Medicine.

- 1 (2) Charles R Drew University of Medicine and
- 2 Science.
- 3 (3) Howard University College of Medicine.
- 4 (4) Meharry Medical College.
- 5 (5) Morehouse School of Medicine.

