

**STORAGE NAME:** h0979.hcs

**DATE:** March 28, 1997

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
HEALTH CARE SERVICES  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** HB 979

**RELATING TO:** Florida Health Services Corps

**SPONSOR(S):** Rep. Arnold

**STATUTE(S) AFFECTED:** s. 381.0302, F.S.

**COMPANION BILL(S):** None.

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) HEALTH CARE SERVICES
- (2) FINANCE AND TAXATION
- (3)
- (4)
- (5)

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**I. SUMMARY:**

The Florida Health Services Corps was established by the Legislature in 1992 to encourage qualified medical professionals to practice in under served locations where there are shortages of health care personnel. In exchange for service in a public health care program or in a medically under served area, the program offers scholarships and loan repayment assistance to students training to be medical doctors, osteopaths, chiropractors, podiatrists, dentists, physician assistants or nurses.

If enacted into law, this bill would add psychologists to the list of professions who are eligible to participate in the Florida Health Services Corps.

This legislation has no impact on state or local governments since the Florida Health Services Corps is currently unfunded.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Even though Florida has a surplus of most types of physicians and other health care providers, these health professionals congregate their practices in urban and suburban middle to upper class areas. Thus, many inner city and rural areas experience a shortage of health care practitioners.

In an effort to make health care providers more readily available in these medically under served areas, in 1992 the Legislature enacted s. 381.0302, F.S., the Florida Health Services Corps. This program offers scholarships to allopathic, osteopathic, chiropractic, podiatric, dental, physician assistant, and nursing students, and loan repayment assistance and travel and relocation expenses to allopathic and osteopathic residents and physicians, chiropractors, podiatrists, nurse practitioners, dentists, and physician assistants, in return for service in a public health care program or in a medically under served area. In addition, the program offers membership on a voluntary basis to physicians and other health care personnel who provide uncompensated care.

Corps members are supervised by the State Health Officer, or his or her physician designee, for the purpose of practice guidelines, continuing education, and other matters pertaining to professional conduct.

A student who receives a Florida Health Services Corps scholarship must accept an assignment in a public health care program or work in a specific community located in a medically under served area upon completion of primary care training. The department determines all assignments. If a practitioner is assigned to a medically under served area, the practitioner must treat Medicaid patients and other patients with low incomes.

In selecting students to participate in the scholarship program, the department gives priority to students who indicate a desire to practice a primary care specialty in a medically under served area after their obligation is completed and who indicate an intent to practice medical specialties for which the department has a need.

Scholarship assistance consists of reimbursement for tuition and other educational costs such as books, supplies, equipment, transportation, and monthly living expense stipends. The department is required to pay the same amount for living expense stipends as is paid by the National Health Services Corps. Each monthly living expense is for a 12-month period beginning with the first month of each school year in which the student is a participant. The department may reimburse a participant for books, supplies, and equipment based on average costs incurred by participants for these items. The department has authority to prescribe, by rule, eligible expenses for reimbursement and allowable amounts.

For an allopathic or osteopathic medical student, enrollment in the corps may begin in the second year of medical school or in any year thereafter. For a nursing student or other student, enrollment may occur in any year.

For a student who receives scholarship assistance, participation in the corps after completion of training is 1 year for each school year of scholarship assistance, up to a maximum of 3 years. The period of obligated service begins when the participant is

assigned by the department to a public health program or to a medically under served area.

The department may provide loan repayment assistance and travel and relocation reimbursement to allopathic and osteopathic medical residents with primary care specialties during their last 2 years of residency training or upon completion of residency training, and to physician assistants and nurse practitioners with primary care specialties, in return for an agreement to serve a minimum of 2 years in the Florida Health Services Corps. During the period of service, the maximum amount of annual financial payments may not be greater than the annual total of loan repayment assistance and tax subsidies authorized by the National Health Services Corps loan repayment program.

The financial penalty for noncompliance with participation requirements for persons who have received financial payments under the program is determined in the same manner as in the National Health Services Corps scholarship program. In addition, noncompliance with participation requirements will also result in ineligibility for professional licensure or renewal of licensure under chapter 458, chapter 459, chapter 460, chapter 464, chapter 465, or chapter 466, F.S. For a participant who is unable to participate for reasons of disability, the penalty is the actual amount of financial assistance provided to the participant. Financial penalties are deposited in the Florida Health Services Corps Trust Fund and used to provide additional scholarship and financial assistance.

Membership in the corps may be extended to any licensed physician or other health care practitioner who provides uncompensated care to medically indigent persons referred by the department. Participation in the corps is voluntary and subject to the supervision of the department for the purpose of practice guidelines, continuing education, and other matters pertaining to professional conduct.

Corps members are required to enroll in Medicaid and accept all patients referred by the department pursuant to an agreement with the department. A Florida Health Services Corps member is an agent of the state under s. 768.28(9), F.S., while providing uncompensated services to medically indigent persons who are referred by the department.

Currently, no funds are available for the Florida Health Services Corps and the program is not functional.

**B. EFFECT OF PROPOSED CHANGES:**

Psychologists will be added to the list of health care professionals who may participate in the Florida Health Services Corps. Since the program is currently unfunded, the enactment of this legislation will have little impact.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Yes, the bill does give the Department of Health additional rule making authority.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes, the bill gives additional responsibilities to the Department of Health but only if the Florida Health Services Corps is funded.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Yes, if the program is funded beneficiaries will pay by service in under served medical areas.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. SECTION-BY-SECTION RESEARCH:

**Section 1.** Amends s. 381.0302, F.S., relating to the Florida Health Services Corps, to add psychologists to the list of health care professionals who may participate in the program.

**Section 2.** Provides an effective date of October 1, 1997.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

If the Florida Health Services Corps is funded, psychologists will have access to scholarships and loans for training and medically underserved areas will have additional treatment providers.

3. Effects on Competition, Private Enterprise and Employment Markets:

If funded, this bill could result in an increased supply of psychologists.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

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VII. SIGNATURES:

COMMITTEE ON HEALTH CARE SERVICES:

Prepared by:

Legislative Research Director:

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Michael P. Hansen

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