

Chapter 178

(Senate Bill 217)

AN ACT concerning

State Board of Physicians – Distribution of Fees by Comptroller – Loan Assistance Repayment for Physicians and Physician Assistants

FOR the purpose of altering the circumstances under which the Comptroller is required to distribute fees received from the State Board of Physicians to the Office of Student Financial Assistance to be used to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants *in certain fiscal years*; repealing certain provisions of law that require the Comptroller to distribute certain fees to the Health Personnel Shortage Incentive Grant Program under certain circumstances; repealing an obsolete provision of law; and generally relating to the distribution of fees received from the State Board of Physicians by the Comptroller.

BY repealing and reenacting, with amendments,
 Article – Health Occupations
 Section 14–207 and 15–206
 Annotated Code of Maryland
 (2014 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Health Occupations

14–207.

(a) There is a Board of Physicians Fund.

(b) (1) The Board may set reasonable fees for the issuance and renewal of licenses and its other services.

(2) The fees charged shall be set so as to approximate the cost of maintaining the Board, including the cost of providing a rehabilitation program for physicians under § 14–401.1(g) of this title.

(3) Funds to cover the compensation and expenses of the Board members shall be generated by fees set under this section.

(c) ~~(1)~~ The Board shall pay all fees collected under the provisions of this title to the Comptroller of the State.

(D) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE:

(I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND

(II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS FUND.

(2) ~~(1)~~ ~~¶~~ **IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, IF** the Governor does not include in the State budget at least ~~[\$750,000]~~ ~~\$350,000~~ **\$400,000** for the operation of ~~[the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and]~~ the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute:

~~¶~~ **(I)** ~~[Except as provided in subparagraph (ii) of this paragraph, 12 percent]~~ ~~\$350,000~~ **\$400,000** of the fees received from the Board to the Office of Student Financial Assistance to be used [as follows:

A. One-half to make grants under the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article; and

B. One-half] to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article to physicians and physician assistants engaged in primary care or to medical residents specializing in primary care who agree to practice for at least 2 years as primary care physicians in a geographic area of the State that has been designated by the Secretary of Health and Mental Hygiene as being medically underserved; and

~~(II)~~ **(II)** The balance of the fees to the Board of Physicians Fund.

~~(iii)~~ **(3)** [For fiscal 2008, if the Governor does not include in the State budget the funds specified under subparagraph (i) of this paragraph, the Comptroller shall distribute 14 percent of the fees received from the Board to the Office of Student Financial Assistance to be used as provided under subparagraph (i) of this paragraph.

(iii) If the Governor includes in the State budget at least ~~[\$750,000]~~ ~~\$250,000~~ ~~\$400,000~~ **THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION** for the operation of [the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute the fees to the Board of Physicians Fund.

~~(E)~~ **(E)** (1) The Fund shall be used exclusively to cover the actual documented direct and indirect costs of fulfilling the statutory and regulatory duties of the Board as provided by the provisions of this title.

(2) (i) The Fund is a continuing, nonlapsing fund, not subject to § 7–302 of the State Finance and Procurement Article.

(ii) Any unspent portions of the Fund may not be transferred or revert to the General Fund of the State, but shall remain in the Fund to be used for the purposes specified in this title.

(3) Interest or other income earned on the investment of moneys in the Fund shall be paid into the Fund.

(4) No other State money may be used to support the Fund.

~~(F)~~ **(F)** (1) In addition to the requirements of subsection ~~(E)~~ **(E)** of this section, the Board shall fund the budget of the Physician Rehabilitation Program with fees set, collected, and distributed to the Fund under this title.

(2) After review and approval by the Board of a budget submitted by the Physician Rehabilitation Program, the Board may allocate moneys from the Fund to the Physician Rehabilitation Program.

~~(G)~~ **(G)** (1) The chair of the Board or the designee of the chair shall administer the Fund.

(2) Moneys in the Fund may be expended only for any lawful purpose authorized by the provisions of this title.

~~(e)~~ **(H)** The Legislative Auditor shall audit the accounts and transactions of the Fund as provided in § 2–1220 of the State Government Article.

15–206.

(a) The Board shall set reasonable fees for:

(1) The issuance and renewal of licenses; and

(2) The other services rendered by the Board in connection with physician assistants, including the cost of providing a rehabilitation program for physician assistants under § 14–401.1(g) of this article.

(b) ~~(f)~~ The Board shall pay all fees collected under this title to the Comptroller of the State.

(C) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE:

(I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND

(II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS FUND.

(2) ~~(g)~~ ~~¶~~ **IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, IF** the Governor does not include in the State budget at least ~~[\$750,000]~~ ~~\$350,000~~ **\$400,000** for the operation of ~~[the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and]~~ the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute:

~~1.~~ **(I)** [12 percent] ~~\$350,000~~ **\$400,000** of the fees received from the Board to the Office of Student Financial Assistance to be used [as follows:

A. One-half to make grants under the Health Personnel Shortage Incentive Grant Program under § 18-803 of the Education Article; and

B. One-half] to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article to physicians and physician assistants engaged in primary care or to medical residents specializing in primary care who agree to practice for at least 2 years as primary care physicians in a geographic area of the State that has been designated by the Secretary of Health and Mental Hygiene as being medically underserved; and

~~2.~~ **(II)** The balance of the fees to the Board of Physicians Fund.

~~(iii)~~ **(3)** If the Governor includes in the State budget at least ~~[\$750,000] \$350,000 \$400,000~~ **THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION** for the operation of [the Health Personnel Shortage Incentive Grant Program under § 18-803 of the Education Article and] the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute the fees to the Board of Physicians Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2016.

Approved by the Governor, April 26, 2016.