**Section 590.240 Scholarship Repayment**

a) Upon Illinois licensure of the scholarship recipient to practice medicine, the recipient shall provide health care in a Department-approved site in a medical facility in an HPSA in Illinois. The term of this service shall be *one year for each* academic *year he or she is a scholarship recipient.* (Section 3.07(d) of the Act)

b) Service as a physician shall begin no later than 30 calendar days after the licensure of the recipient to practice medicine.

1) The Department will defer service until the recipient completes a residency; service shall begin no later than 30 calendar days after completion of the residency.

2) If the recipient leaves the residency program prior to completion, service shall begin within 30 calendar days after leaving the program.

c) Upon written pre-approval of the Department, the service obligation shall be deferred until 30 calendar days following completion of a fellowship.

d) The recipient's internship, residency or other advanced clinical training does not qualify as repayment of the service obligation.

e) The scholarship recipient shall submit a written request to the Department for pre-approval for a proposed practice location. The Department will provide written pre-approval or disapproval to the scholarship recipient, based on the requirements of subsection (f). The approval shall include a description of the terms of the service obligation.

1) Without written pre-approval from the Department, time in practice at the described location shall not meet the scholarship recipient's service obligation.

2) The scholarship recipient may request and receive approval for a practice location up to 18 months preceding the time that practice at the location is to begin. Prior to commencement of the physician's work at the practice location, the Department will verify that the practice location is in an HPSA in Illinois.

3) Approval for a practice location is granted for the duration of the scholarship recipient's service obligation. Should the approved practice location close or lose its HPSA designation, the recipient shall secure a new practice location. The Department shall pre-approve the new practice location prior to the recipient commencing work at the new practice location.

f) The scholarship recipient's practice shall continuously meet all of the following requirements:

1) Be located in a federally designated HPSA or HPSAs and be approved by the Department;

2) Be a full-time practice providing direct patient care;

3) Be in one of, or in a combination of, the eligible health care specialties; and

4) Provide continuous service at the rate of 12 months for each academic year of medical school supported by the scholarship.

g) Scholarship recipients may relocate to another qualified practice location, or practice in more than one location, if prior written approval is granted by the Department.

h) Scholarship recipients shall enter into a written contract with the Department that describes terms of the service obligation and contains provisions for enforcement of the contract.

i) *Scholarship recipients who fail to* provide service as required *shall pay to the Department a sum* of money *equal to 3 times the amount of the* recipient's *annual scholarship* award *for each year*, or portion thereof, that *the recipient fails to fulfill* the service *obligation.* (Section 10 of the Act)

1) To fulfill the repayment requirements of this Section, *the scholarship recipient shall have 30 days from the date the failure begins in which to enter into a contract with the Department that sets forth the manner in which that sum is required to be paid* on a form provided by the Department*.* (Section 10 of the Act)

2) *If the contract is not entered into within that 30 day period or if the contract is entered into but the required payments are not made in the amounts and at the times provided in the contract, the scholarship recipient also shall be required to pay to the Department interest at the rate of 9% per annum on the amount of that sum remaining due and unpaid.* (Section 10 of the Act)

3) Payment shall be made in equal consecutive monthly installments in amounts so that all sums due shall be paid within a period of time equal to the recipient's service obligation, or remaining portion thereof.

4) The contract will contain terms for repayment and provisions for enforcement of the contract.

5) *The amounts paid to the Department under this* Section *shall be deposited into the Community Health Center Care Fund and shall be used by the Department to improve access to primary health care services as authorized under Section 2310-200*(a) *of the Department of Public Health Powers and Duties Law.* (Section 10 of the Act)

j) If a scholarship recipient fails to pay all monies owed to the Department, the Department shall refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney.

(Source: Amended at 44 Ill. Reg. 20074, effective December 9, 2020)