

1 AN ACT relating to healthcare workers and making an appropriation therefor.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO  
4 READ AS FOLLOWS:

5 *(1) The General Assembly hereby establishes the statewide Healthcare Worker Loan*  
6 *Relief Program designed to be in alignment with the federally funded state loan*  
7 *repayment program authorized under KRS 211.165 in providing student loan*  
8 *repayment for eligible healthcare workers within the Commonwealth. The*  
9 *Healthcare Worker Loan Relief Program shall be administered by the University*  
10 *of Kentucky through the Center of Excellence in Rural Health, and all costs*  
11 *associated with the program, including the reimbursement of any expenses*  
12 *incurred by the center in its administration of the program, shall be funded by*  
13 *state appropriations and other funds held in the healthcare worker loan relief*  
14 *fund, which shall be excluded from the comprehensive funding model established*  
15 *in KRS 164.092.*

16 *(2) The board of trustees of the University of Kentucky, on behalf of the Center of*  
17 *Excellence in Rural Health, shall adopt policies for the administration of the*  
18 *program that are in alignment with the policies implemented in the*  
19 *administration of KRS 211.165 and the federally funded state loan repayment*  
20 *program it authorizes, and shall include:*

21 *(a) The professional, certification, education, employment, and worksite*  
22 *eligibility requirements, except that the professional requirements shall also*  
23 *grant eligibility to ophthalmologists, optometrists, and audiologists;*

24 *(b) Student loan eligibility requirements;*

25 *(c) A process to consider applications from eligible healthcare workers, except*  
26 *the policy shall include an application cycle that is open at least biannually;*

27 *(d) Program admission guidelines;*

1 (e) The conditions under which admitted healthcare workers shall receive  
2 awards;

3 (f) To the extent that funding is available, the process for determining award  
4 amounts, which shall include the tiering of award amounts based on  
5 provider type, student loan amounts, and other factors, except that the  
6 policy shall not require a dollar for dollar match component from admitted  
7 healthcare workers' employers; and

8 (g) Procedures to provide repayment to loan servicers.

9 (3) (a) The healthcare worker loan relief fund is hereby created as a trust fund in  
10 the State Treasury to be administered by the University of Kentucky on  
11 behalf of the Center of Excellence in Rural Health for the purpose of  
12 providing loan repayment as described in this section.

13 (b) The trust fund shall consist of state general fund appropriations, gifts and  
14 grants from public and private sources, and federal funds. All moneys  
15 included in the fund shall be appropriated for the purposes set forth in this  
16 section.

17 (c) Any unallotted or unencumbered balances in the trust fund shall be  
18 invested as provided in KRS 42.500(9). Income earned from the investments  
19 shall be credited to the trust fund.

20 (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal  
21 year shall not lapse but shall be carried forward to the next fiscal year and  
22 continuously appropriated only for the purposes specified in this section.

23 ➔Section 2. KRS 164.937 is amended to read as follows:

24 (1) The University of Kentucky shall maintain a Center of Excellence in Rural Health.

25 (2) The mission of the Center of Excellence in Rural Health shall be the improvement  
26 of the health of all rural Kentuckians and the improvement of rural health care  
27 systems through education, research, and service.

- 1 (3) The Center of Excellence in Rural Health shall:
- 2 (a) Support a site-based director, core faculty, and staff;
- 3 (b) Collect and maintain statistical and other information relating to rural health  
4 status, rural health care systems, rural health policy, and other issues affecting  
5 the health and well-being of rural populations;
- 6 (c) Collect, analyze, interpret, disseminate, and make recommendations regarding  
7 the availability, distribution, and sufficiency of the health professions  
8 workforce;
- 9 (d) Provide educational opportunities for students committed to rural health care:
- 10 1. To obtain education in needed health professions as determined by the  
11 workforce analyses, rotating these programs as necessary;
- 12 2. By testing and developing innovative models for learning; and
- 13 3. By reserving funds budgeted for specific educational programs that in  
14 the future are deemed no longer necessary for use for educational  
15 programs for other health professions;
- 16 (e) Maintain site-based family practice residencies;
- 17 (f) Serve as the federally designated Office of Rural Health and perform the  
18 duties prescribed by the United States Health Resources and Services  
19 Administration;
- 20 **(g) Administer the Healthcare Worker Loan Relief Program established under**  
21 **Section 1 of this Act;**
- 22 **(h)**~~(g)~~ Demonstrate or provide innovative programs that improve the health of  
23 rural Kentuckians and strengthen rural health care systems; and
- 24 **(i)**~~(h)~~ Advocate for rural health care.
- 25 (4) To the extent additional funds are appropriated, the Center of Excellence in Rural  
26 Health shall establish additional sites throughout the Commonwealth as necessary  
27 to achieve the mission of the center.

1 (5) Nothing in this section shall be construed to restrict the study of rural health  
2 policies, workforce analyses, or the training of health professionals in or for rural or  
3 medically underserved areas by other state universities.

4 (6) The University of Kentucky shall report to the Council on Postsecondary Education  
5 and the Legislative Research Commission a detailed, audited statement of  
6 expenditures for each program function in the Center of Excellence for Rural Health  
7 Care by September 1 of each year which enumerates expenditures for the preceding  
8 fiscal year.

9 ➔Section 3. There is hereby appropriated General Fund moneys in the amount of  
10 \$2,000,000 in fiscal year 2022-2023 and \$2,000,000 in fiscal year 2023-2024 to the  
11 healthcare worker loan relief fund created in Section 1 of this Act and administered by the  
12 University of Kentucky.

13 ➔Section 4. Whereas there is currently a shortage of healthcare workers in the  
14 Commonwealth, an emergency is declared to exist, and this Act takes effect upon its  
15 passage and approval by the Governor or upon its otherwise becoming a law.