

[First Reprint]  
**SENATE, No. 2331**

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**STATE OF NEW JERSEY**  
**217th LEGISLATURE**

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INTRODUCED JUNE 9, 2016

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**SYNOPSIS**

Establishes tuition reimbursement program for certain psychiatrists who work in underserved areas or psychiatric hospitals in New Jersey.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Appropriations Committee on December 15, 2016, with amendments.

(Sponsorship Updated As Of: 6/27/2017)

1 AN ACT establishing a tuition reimbursement program for certain  
2 psychiatrists who work in New Jersey and supplementing chapter  
3 71C of Title 18A of the New Jersey Statutes.

4  
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*

7  
8 1. As used in this act:

9 “Authority” means the Higher Education Student Assistance  
10 Authority.

11 “Eligible tuition expenses” means tuition expenses that were  
12 incurred by a program participant in attending an accredited  
13 medical school and which were not covered by any grants or  
14 scholarships.

15 “Program” means the tuition reimbursement program for  
16 psychiatrists established pursuant to this act.

17 “Program participant” means a psychiatrist who contracts with  
18 the authority to provide mental health care services in a State  
19 underserved area <sup>1</sup>or in a State psychiatric hospital<sup>1</sup> in return for  
20 tuition reimbursement provided under the program.

21 <sup>1</sup>“State psychiatric hospital” means a State psychiatric hospital  
22 operated by the Department of Human Services and listed in  
23 R.S.30:1-7.<sup>1</sup>

24 “State underserved area” means a geographic area in this State  
25 which the Commissioner of Health <sup>1</sup>, in consultation with the  
26 Commissioner of Human Services,<sup>1</sup> determines on the basis of  
27 health status and economic indicators as having a physician  
28 shortage in the specialty of psychiatry.

29  
30 2. a. There is established in the Higher Education Student  
31 Assistance Authority a tuition reimbursement program for  
32 psychiatrists who provide mental health care services in a State  
33 underserved area <sup>1</sup>or in a State psychiatric hospital<sup>1</sup>. The program  
34 shall provide reimbursement to program participants for a portion of  
35 the eligible tuition expenses incurred by the participant in attending  
36 medical school.

37 b. A program participant shall enter into a contract with the  
38 authority for a specified number of one-year periods of service, up  
39 to four years, in which the participant agrees to engage in the full-  
40 time practice of psychiatry in a State underserved area <sup>1</sup>or in a State  
41 psychiatric hospital<sup>1</sup>. The agreement shall specify the program  
42 participant’s dates of required service and the total amount of  
43 reimbursement of eligible tuition expenses to be received by the  
44 participant in return for service.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AAP committee amendments adopted December 15, 2016.

1 c. The tuition reimbursement for a participant under the  
2 program shall equal 25 percent of the participant's eligible tuition  
3 expenses for the one academic year of medical school attendance in  
4 which tuition was the lowest, in return for each full year of service  
5 satisfactorily completed by the participant under the program. The  
6 total tuition reimbursement amount for a program participant, for  
7 four full years of service, shall not exceed 100 percent of the  
8 participant's eligible tuition expenses for the one academic year of  
9 medical school attendance in which tuition was the lowest.

10

11 3. To be eligible to participate in the program, an applicant  
12 shall:

13 a. be a resident of New Jersey;

14 b. be a State-licensed physician who has successfully  
15 completed all educational and residency training requirements for  
16 the practice of psychiatry;

17 c. apply for the program within one year of completing an  
18 accredited residency training program in psychiatry <sup>1</sup>, or within one  
19 year of completing an accredited fellowship in child and adolescent  
20 psychiatry<sup>1</sup>; and

21 d. agree to practice full-time as a psychiatrist in a State  
22 underserved area <sup>1</sup>or in a State psychiatric hospital<sup>1</sup> for a period of  
23 one to four years in return for the tuition reimbursement provided  
24 under the program.

25

26 4. a. The Commissioner of Health <sup>1</sup>, in consultation with the  
27 Commissioner of Human Services,<sup>1</sup> shall designate State  
28 underserved areas which have a shortage of psychiatrists. In  
29 designating State underserved areas, the commissioner shall  
30 consider health status criteria and economic indicators including,  
31 but not limited to, the financial resources of the population who  
32 resides in the area under consideration, and the population's access  
33 to mental health care services.

34 b. The Commissioner of Health shall transmit to the authority a  
35 list of the State underserved areas and the projected number of  
36 psychiatrists needed in each area.

37 <sup>1</sup>c. The Commissioner of Human Services shall transmit to the  
38 authority a list of the State psychiatric hospitals and the projected  
39 number of psychiatrists needed in each hospital.<sup>1</sup>

40

41 5. The contract entered into between a program participant and  
42 the authority pursuant to section 2 of this act shall require a  
43 program participant to:

44 a. charge for professional services at the usual and customary  
45 rate prevailing in the State underserved area, but allow a patient  
46 who is unable to pay that charge to pay at a reduced rate or receive  
47 care at no charge;

1       b. not discriminate against any patient in the provision of  
2 mental health care services on the basis of that person's ability to  
3 pay or source of payment; and

4       c. agree not to impose any charge in excess of the limiting fee  
5 for a service, as determined by the United States Secretary of  
6 Health and Human Services, to a recipient of benefits under the  
7 federal Medicare program established pursuant to Pub.L.89-97 (42  
8 U.S.C. s.1395 et seq.).  
9

10       6. A program participant, as a condition of participation, shall  
11 be required to adhere to performance standards established by the  
12 authority. The standards shall include, but not be limited to,  
13 requirements that a program participant:

14       a. maintain residency in the State;

15       b. maintain a license to practice medicine in the State;

16       c. remain current with payments on any student loans;

17       d. maintain satisfactory performance of services rendered in a  
18 State underserved area <sup>1</sup>or in a State psychiatric hospital<sup>1</sup>; and

19       e. report to the authority, on a form and in a manner prescribed  
20 by the authority, on the program participant's performance of  
21 services rendered prior to reimbursement of tuition under the  
22 program.  
23

24       7. An individual who is participating in the Primary Care  
25 Practitioner Loan Redemption Program, N.J.S.18A:71C-32 et seq.,  
26 or in the federally administered National Health Service Corps Loan  
27 Repayment Program, section 338B of the Public Health Service Act  
28 (42 U.S.C. s.2541-1), shall not be eligible to participate  
29 simultaneously in the tuition reimbursement program established  
30 pursuant to this act.  
31

32       8. The authority shall promulgate regulations pursuant to the  
33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
34 seq.), necessary to effectuate the provisions of this act.  
35

36       9. This act shall take effect immediately.