

**APPROVED REGULATION OF
THE STATE TREASURER**

LCB File No. R081-23

Filed June 20, 2024

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§ 1-4 and 6-12, section 8 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1769 (NRS 226.462); § 5, section 7 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1768, and section 8 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1769 (NRS 226.460, 226.462).

A REGULATION relating to health care; prescribing procedures for a provider of health care to apply for and receive repayment of student education loans under the Student Loan Repayment for Providers of Health Care in Underserved Communities Program; adopting provisions governing the amount of repayment of student education loans that a provider of health care may receive under the Program; adopting provisions governing the scoring of applications to receive repayment of student education loans under the Program; establishing the manner in which the State Treasurer will prioritize the award of money available to make repayments of student education loans under the Program; prescribing requirements for agreements under which the State Treasurer will make repayments of student education loans under the Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Assembly Bill No. 45 (A.B. 45) of the 2023 Legislative Session created the Student Loan Repayment for Providers of Health Care in Underserved Communities Program. Under the Program, which is to be administered by the State Treasurer, eligible providers of health care who commit to at least 5 years of clinical practice in certain communities in this State may receive repayment of student education loans up to a maximum amount of \$120,000. (Chapter 265, Statutes of Nevada 2023, at pages 1766-1770 (NRS 226.450-226.466)) A.B. 45 requires the State Treasurer to adopt regulations to carry out the Program, including, without limitation, regulations establishing: (1) the procedures and standards that the State Treasurer will use to determine the eligibility of a provider of health care to receive repayment of student education loans under the Program; (2) the methodology for determining the amount of repayment of student education loans that a provider of health care may receive under the Program; (3) the manner in which the State Treasurer will prioritize awarding the money available for the repayment of student education loans of eligible providers of health care; and (4) the manner in which the State Treasurer will make the repayment of student education loans for eligible

providers of health care. (Section 8 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1769 (NRS 226.462))

Section 4 of this regulation defines the term “underserved community” to refer to the geographic areas in this State in which existing law requires a provider of health care to engage in clinical practice to be eligible to receive repayment of student loans under the Program. (Section 7 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1768 (NRS 226.460)) **Section 3** of this regulation defines the term “behavioral health care.”

Under existing law, a geographic area of this State that the State Treasurer determines to have been subject to historical instances of redlining, segregation or other discrimination on the basis of race, color, religion, national origin, disability, sexual orientation, sex or gender identity or expression is one type of underserved community for the purposes of the Program. (Section 7 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1768 (NRS 226.460)) **Section 5** of this regulation provides that the State Treasurer will rely on data from academic and governmental sources that indicate that an area has a high level of residential segregation, household income disparities or disparities in educational attainment based on those characteristics to determine whether such an area qualifies as an underserved community.

Section 6 of this regulation establishes the procedure for a provider of health care to apply to receive repayment of student education loans under the Program. **Section 6** provides that the State Treasurer will: (1) prescribe the form of the application that a provider of health care who wishes to apply is required to complete and submit to the State Treasurer; and (2) make the application available on the Internet website maintained by the State Treasurer. **Section 6** also authorizes the State Treasurer to establish a designated period each fiscal year during which the State Treasurer will accept applications to receive repayment of student education loans under the Program. Finally, **section 6** establishes the information that a provider of health care is required to provide in such an application.

Section 7 of this regulation: (1) authorizes the State Treasurer to request additional information from an applicant if the State Treasurer determines that additional information or clarification is necessary to determine whether the applicant is eligible for the Program; (2) establishes the grounds on which the State Treasurer may deny an application to receive repayment of student education loans under the Program; and (3) provides that the State Treasurer will take certain actions if the State Treasurer determines that an applicant is eligible to receive repayment of student education loans and sufficient money is available to make such repayment, including, without limitation, sending the applicant notice of the preliminary approval of the application. Under **section 7**, to receive repayment of student education loans under the Program, an applicant who receives a notice of preliminary approval of the application is required to sign and return to the State Treasurer an agreement under which the State Treasurer will make the repayment of the student education loans.

Section 8 of this regulation establishes the methodology the State Treasurer will use to determine the amount of repayment a provider of health care is eligible to receive. Under **section 8**, this methodology is a sliding scale that will be established by the State Treasurer and that is required to provide a greater amount of repayment to providers who practice a profession: (1) whose practitioners, on average, complete postsecondary education with a greater amount of student loan debt; (2) whose practitioners, on average, earn a lower income than other providers; and (3) for which certain governmental agencies have designated a shortage in the area of this State in which the provider will practice.

Section 9 of this regulation establishes the maximum amount of repayment of student education loans that an eligible provider of health care may receive under the Program and specifies that a provider of health care is eligible to receive repayment of student education loans under the Program, as well as from the Nevada Health Service Corps or any other source.

Section 10 of this regulation provides that the State Treasurer will develop a rubric that will be used to score applications to receive repayment of student education loans under the Program and requires the State Treasurer to publish the rubric and the manner in which the criteria of the rubric will be weighed before the period during which the State Treasurer will accept applications.

Section 11 of this regulation establishes the manner in which the State Treasurer will prioritize the award of the money available amongst eligible providers of health care to receive repayment of student education loans under the Program.

Section 12 of this regulation requires the State Treasurer, in consultation with the Office of the Attorney General, to develop the agreement required to be completed under **section 7**. Under **section 12**, the agreement is required to contain certain provisions, including, without limitation: (1) the grounds for terminating the agreement and the eligibility of the provider of health care to receive repayment of student education loans under the Program; and (2) a requirement that the State Treasurer make the repayments directly to the servicer or lender of the student education loans as equal annual payments over a 5-year period.

Section 1. Chapter 226 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 12, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Behavioral health care” means diagnostic, therapeutic or psychological services provided by a provider of health care to treat conditions of behavioral health.*

Sec. 4. *“Underserved community” means an area of this State described in subsection 3 of section 7 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1768 (NRS 226.460).*

Sec. 5. *For the purposes of determining whether an area is an underserved community because it is a geographic area described in paragraph (e) of subsection 3 of section 7 of Assembly Bill No. 45, chapter 265, Statutes of Nevada 2023, at page 1768 (NRS 226.460), the*

State Treasurer will rely on data from academic and governmental sources that indicate that the area has a high level of residential segregation, household income disparities or disparities in educational attainment on the basis of the characteristics described in that paragraph.

Sec. 6. 1. The State Treasurer will:

(a) Prescribe the form for the application that a provider of health care must complete and submit to the State Treasurer to apply to receive repayment of student education loans under the Program; and

(b) Make the form available on the Internet website maintained by the State Treasurer.

2. The State Treasurer may establish a designated period each fiscal year during which the State Treasurer will accept applications to receive repayment of student education loans under the Program. If the total amount of money available to be approved for providers of health care who submit such an application during a fiscal year, as calculated pursuant to section 11 of this regulation, exceeds the total amount of money projected to be approved for providers of health care who submit such an application during that fiscal year, the State Treasurer may accept applications submitted after the end of the period established pursuant to this subsection until the amount of money available to be approved during that fiscal year is exhausted.

3. A provider of health care who wishes to apply to receive repayment of student education loans under the Program must:

(a) Submit an application to the State Treasurer in the form prescribed by the State Treasurer;

(b) Provide in the application:

(1) The current address of his or her residence;

(2) The name and address of the location at which he or she is currently practicing as a provider of health care or the name and address of the location at which he or she anticipates practicing as a provider of health care;

(3) Information sufficient for the State Treasurer to determine whether the applicant is actively licensed, certified or registered in good standing to practice in this State as a provider of health care;

(4) A statement of whether the provider of health care will commit to at least 5 years of clinical practice as a licensed, certified or registered provider of health care in an underserved community;

(5) A statement of whether the provider of health care is committed to or is currently:

(I) Engaging in the practice of primary care;

(II) Engaging in the practice of sexual and reproductive health care;

(III) Engaging in the practice of behavioral health care;

(IV) Engaging in clinical practice in a county whose population is less than 100,000;

(V) Engaging in clinical practice on tribal lands or in a community that serves a large number of tribal members;

(VI) Accepting patients who are recipients of Medicare, Medicaid or insurance pursuant to the Children's Health Insurance Program; or

(VII) Accepting patients with intellectual or developmental disabilities;

(6) A statement of each language in which the provider of health care is fluent;

(7) The name and contact information for the servicer of the outstanding student education loans owed by the provider of health care;

(8) The current balance owed on the outstanding student education loans owed by the provider of health care; and

(9) Any other information that the State Treasurer deems necessary to determine whether the provider of health care is eligible to receive repayment of student education loans under the Program; and

(c) Sign a declaration, under penalty of perjury, that all information provided in connection with the application is accurate and complete.

Sec. 7. 1. *The State Treasurer will review each application to receive repayment of student education loans under the Program.*

2. If the State Treasurer determines that an application is incomplete or requires additional information or clarification, the State Treasurer may request additional information from the applicant. If the applicant does not submit the requested information within the period prescribed by the State Treasurer, the State Treasurer will deny the application.

3. The State Treasurer will deny an application to receive repayment of student education loans under the Program if the State Treasurer determines that:

(a) The application contains materially false or misleading information; or

(b) The applicant is not eligible for repayment of student education loans under the Program.

4. If the State Treasurer determines that an applicant is eligible for repayment of student education loans under the Program and sufficient money is available to make such repayment, the State Treasurer will:

(a) Calculate the ratio of the applicant's income to the amount owed on the applicant's outstanding student education loans;

(b) Determine the amount of student loan repayment that the applicant is eligible to receive from the Program pursuant to the methodology set forth in section 8 of this regulation; and

(c) Notify the applicant of the preliminary approval of the applicant to receive repayment of student education loans under the Program.

5. To receive repayment of student education loans under the Program, an applicant who receives a notice of preliminary approval pursuant to subsection 4 must complete, sign and return to the State Treasurer the agreement for repayment of student education loans developed pursuant to section 12 of this regulation. Upon receipt of a completed and signed agreement for repayment of student education loans, the State Treasurer or his or her designee will sign and execute the agreement.

6. The State Treasurer will make repayments of student education loans in accordance with the agreement executed pursuant to subsection 5.

Sec. 8. 1. To determine the amount of repayment of student education loans that a provider of health care is eligible to receive under the Program, the State Treasurer will establish and use a sliding scale that provides a greater amount of repayment of student education loans to providers of health care who practice a profession:

(a) Whose practitioners, on average, complete postsecondary education with a greater amount of student education loans than other providers of health care;

(b) Whose practitioners, on average, earn a lower income than other providers of health care; and

(c) For which the Health Resources and Services Administration of the United States Department of Health and Human Services or the Nevada Department of Health and Human Services has designated a shortage in the area of this State in which the provider of health care is providing or will provide health care services.

2. To establish the sliding scale of the amount of repayment of student education loans that providers of health care are eligible to receive under the Program, the State Treasurer may rely on relevant data from:

(a) The United States Department of Health and Human Services;

(b) The United States Department of Labor;

(c) The Nevada Department of Health and Human Services;

(d) The Office of Minority Health and Equity of the Department of Health and Human Services;

(e) The Nevada System of Higher Education;

(f) The Office of Economic Development within the Office of the Governor;

(g) Public and private institutions providing graduate medical education in this State; and

(h) Any other source the State Treasurer believes is necessary to create the sliding scale.

3. At least 30 days before the beginning of a designated period during which the State Treasurer will accept applications to receive repayment of student education loans under the Program, the State Treasurer will publish on the Internet website maintained by the State Treasurer the amount of repayment of student education loans available for that application period for each type of provider of health care who is determined to be eligible to receive repayment of student education loans under the Program.

Sec. 9. 1. Except as otherwise provided in subsection 2:

(a) The maximum amount of repayment of student education loans that a provider of health care may receive under the Program is \$120,000.

(b) A provider of health care who is applying for, has received or may receive at any time any repayment or forgiveness of student education loans from the Nevada Health Service Corps or any other source is eligible to receive repayment of student education loans under the Program in an amount not to exceed \$120,000.

2. A provider of health care may not receive repayment of student education loans in an amount that exceeds the balance due on the provider's student education loans.

Sec. 10. *1. The State Treasurer will develop a rubric by which applications received from providers of health care to receive repayment of student education loans under the Program will be scored by the State Treasurer.*

2. The rubric developed pursuant to subsection 1 must score applications according to the following weighted criteria:

(a) Whether the applicant is currently practicing in an underserved community;

(b) Whether the applicant commits to relocating to practice in an underserved community;

(c) Whether the applicant would be the only provider of a particular type within a 50-mile radius of an underserved community;

(d) Whether the applicant has previously received or been approved for student loan repayment through other existing student loan repayment programs;

(e) Whether the applicant is ineligible to receive student loan repayment through other student loan repayment programs;

(f) Whether the applicant has committed to or is currently engaging in the practice of primary care in an underserved community;

(g) Whether the applicant has committed to or is currently engaging in the practice of sexual and reproductive health care in an underserved community;

(h) Whether the applicant has committed to or is currently engaging in the practice of behavioral health care in an underserved community;

(i) Whether the applicant has committed to or is currently accepting patients who are recipients of Medicare, Medicaid or insurance pursuant to the Children's Health Insurance Program;

(j) The percentage of patients that the applicant accepts who are recipients of Medicare, Medicaid or insurance pursuant to the Children's Health Insurance Program;

(k) Whether the applicant has committed to or is currently accepting patients who are persons with intellectual or developmental disabilities; and

(l) Any other metrics determined by the State Treasurer to be necessary to carry out the purposes of the Program.

3. The State Treasurer will weigh the criteria in subsection 2 based on the needs of the State based on relevant data from:

(a) The United States Department of Health and Human Services;

(b) The United States Department of Labor;

(c) The Nevada Department of Health and Human Services;

(d) The Office of Minority Health and Equity of the Department of Health and Human Services;

(e) The Nevada System of Higher Education;

(f) The Office of Economic Development within the Office of the Governor;

- (g) Public and private institutions providing graduate medical education in this State; and*
- (h) Any other sources the State Treasurer believes is necessary to create the sliding scale.*

4. The State Treasurer will publish the rubric developed pursuant to subsection 1 and the manner in which the criteria of the rubric will be weighed pursuant to subsection 3 on an Internet website maintained by the State Treasurer at least 30 days before the beginning of a designated period during which the State Treasurer will accept applications to receive repayment of student education loans pursuant to the Program.

5. If two or more applications receive the same score, the State Treasurer will prioritize the fully completed applications in the order of receipt based on the date and time of receipt using the Pacific time zone.

Sec. 11. 1. *For each fiscal year, the State Treasurer will calculate the total amount of money available to be approved for providers of health care who submit an application to receive repayment of student education loans under the Program during that fiscal year.*

2. To the extent that a sufficient number of applications are received from providers of health care who are eligible to receive repayment of student education loans under the Program, the State Treasurer will award the first 15 percent of the money available in the Program in a fiscal year to providers of health care who:

- (a) Are eligible to receive repayment of student education loans under the Program;*
- (b) Receive the highest scores on their application according to the rubric developed pursuant to section 10 of this regulation; and*
- (c) Commit to or are practicing as a provider of health care in a county whose population is less than 100,000, including, without limitation, practicing on tribal lands or in a*

community where tribal members commonly reside if the land or community is within the geographic boundaries of a county whose population is less than 100,000.

3. After money has been awarded pursuant to subsection 2, to the extent that a sufficient number of applications are received from providers of health care who are eligible to receive repayment of student education loans under the Program, the State Treasurer will award the remaining money available under the Program to providers of health care who receive the highest score on their application according to the rubric developed pursuant to section 10 of this regulation.

Sec. 12. *1. In consultation with the Office of the Attorney General, the State Treasurer will develop an agreement for repayment of student education loans, which must be executed before a provider of health care may receive repayment of student education loans under the Program.*

2. The State Treasurer will include in the agreement developed pursuant to subsection 1 provisions:

(a) Requiring that, as a condition of receiving repayment of student education loans under the Program, the provider of health care engage in clinical practice in an underserved community for not less than 5 years;

(b) Requiring each repayment of student education loans under the Program to be disbursed, on behalf of the provider of health care, directly to the servicer or lender of the student education loans of the provider of health care;

(c) Requiring repayments of student education loans to be disbursed in equal annual payments over a period of 5 years;

(d) Requiring the provider of health care to notify the State Treasurer if:

(1) The provider of health care changes his or her residence or location at which he or she practices as a provider of health care;

(2) The provider of health care ceases to practice as a provider of health care in this State;

(3) A regulatory body of this State or any other jurisdiction imposes a disciplinary action against the provider of health care; or

(4) The provider of health care is no longer actively licensed, certified or registered in good standing to practice as a provider of health care in this State;

(e) Requiring the provider of health care to repay any money disbursed under the Program for the repayment of his or her student education loans if the State Treasurer determines that the provider of health care:

(1) Submitted untrue, fraudulent or misleading information to the State Treasurer in connection with the Program; or

(2) Received a repayment of student education loans under the Program for which the provider of health care was not eligible; and

(f) Establishing the circumstances under which the State Treasurer will terminate the agreement and the eligibility of the provider of health care to receive repayment of student education loans under the Program.