

**3701-6-03 Requirements for contract.**

- (A) A primary care physician who has signed a letter of intent under paragraph (E) of rule 3701-6-02 of the Administrative Code and the director may enter into a contract providing for the physician's participation in the physician loan repayment program. The physician's employer or another funder may also be a party to the contract.
- (B) The contract shall include all of the following obligations:
  - (1) Agreement by the primary care physician to provide primary care services in the health resource shortage area identified in his or her letter of intent for a period of at least two years.
  - (2) Agreement by the primary care physician that, in providing primary care services in the health resource shortage area, he or she will do all of the following:
    - (a) Provide primary care services for a minimum of forty hours per week, of which at least twenty-one hours are spent providing patient care in an outpatient or ambulatory setting;
    - (b) Provide primary care services without regard to a patient's ability to pay;
    - (c) Meet the conditions prescribed by the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301 as amended (1981), and the Ohio department of job and family services for participation in the medicaid program established under Chapter 5111. of the Revised Code and enter into a contract with the Ohio department of job and family services to provide primary care services to recipients of the medicaid program.
    - (d) Accept into his or her practice a percentage of individuals determined eligible for the medicaid program described in paragraph (B)(2)(c) of this rule at least equal to the percentage of the general population in that health resource shortage area which has been determined eligible for the medicaid program.
  - (3) Agreement by the Ohio department of health, as provided in section 3702.75 of the Revised Code, to repay, so long as the primary care physician performs the service obligation to which he or she has agreed under paragraph (B)(1) of this rule, all or part of the primary care physician's educational expenses, as defined in paragraph (C) of rule 3701-6-01 of the Administrative Code.
  - (4) Agreement by the primary care physician to pay the Ohio department of health the following as damages if he or she fails to complete the service obligation to which he or she has agreed under paragraph (B)(1) of this rule:
    - (a) If the failure occurs during the first two years of the service obligation, three times the amount the Ohio department of health has agreed to repay under paragraph (B)(3) of this rule;
    - (b) If the failure occurs after the first two years of the service obligation, three

times the amount the Ohio department of health is still obligated to repay under paragraph (B)(3) of this rule.

- (c) If funds are matched to the federal state loan repayment grant, damages owed if the physician fails to complete the service obligation shall be as set forth in 42 U.S.C. (2002) section 254o(c)(1) and will be an amount equal to:
    - (i) The total of the amounts paid by the program on behalf of the individual for any period of obligated service not served;
    - (ii) An amount equal to the product of the number of months of obligated service that were not completed by the individual, multiplied by seven thousand five hundred dollars; and
    - (iii) The interest on the amounts described in paragraphs (B)(4)(c)(i) and (B)(4)(c)(ii) of this rule, at the maximum legal prevailing rate, as determined by the treasurer of the United States, from the date of the breach, except that the amount the program is entitled to recover under this paragraph shall not be less than thirty one thousand dollars.
  - (d) If funds from another source are used to repay a portion of the physician's loan, damages owed if the physician fails to complete the obligation will be the damages specified by the other source of the funds, or as outlined in paragraph (B)(4) of this rule, whichever is greater.
- (C) In addition to the terms required under paragraph (B) of this rule, the contract may contain other terms agreed upon by the parties, including reimbursement for increased tax liability if a repayment results in an increase in the primary care physician's federal, state, or local income liability.

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Certification

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