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# VIRGINIA STATE BUDGET

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2004 Special Session I

## Budget Bill - HB5001 (Chapter 4)

Bill Order » Office of Health and Human Resources » Item 306

Department of Health

Item 306	First Year - FY2005	Second Year - FY2006
<b>Higher Education Student Financial Assistance (10800)</b>	<b>\$1,851,884</b>	<b>\$1,851,884</b>
Scholarships (10810)	\$1,851,884	\$1,851,884
Fund Sources:		
General	\$1,016,316	\$1,016,316
Dedicated Special Revenue	\$785,568	\$785,568
Federal Trust	\$50,000	\$50,000

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Authority: §§ [23-35.9](#) through [23-35.13](#), [23-37.1](#) through [23-37.5](#), and [32.1-122.5:1](#) through [32.1-122.10](#), Code of Virginia.

A. Out of this appropriation, \$220,396 from the general fund and \$560,568 from nongeneral funds the first year and \$220,396 from the general fund and \$560,568 from nongeneral funds the second year is provided for financial incentives such as medical scholarships (for those medical students currently participating in the scholarship program), loan repayment, one-time salary bonuses, and travel expenses to physicians, including psychiatrists, or medical students who are currently participating in the scholarship program and who commit to practice in underserved areas of the state. The Virginia Department of Health will continue to grant scholarships to those medical students participating in the scholarship program for academic year 2002-2003, until their eligibility runs out. The agency will move towards a total loan repayment focused incentive program. The three state medical schools shall fully match all state funds for scholarships awarded to current scholarship recipients. Any unexpended and repaid money due to default shall revert to the pool of funding for financial incentives to recruit physicians, including psychiatrists. All financial aid shall be awarded in accordance with regulations promulgated by the Board of Health. The Department shall maintain an accounting of the numbers and amount of the awards made each year, and the specialties of the physicians receiving the awards.

B.1. Out of this appropriation, \$300,000 the first year and \$300,000 the second year from the general fund are provided pursuant to § [32.1-122.7](#), Code of Virginia, to support the Virginia Statewide Area Health Education Centers. General fund appropriations in this item shall be used for the recruitment and retention, practice support, and training of health care professionals in medically underserved areas or areas with medically underserved populations.

2. The Department of Medical Assistance Services, to the extent permissible under federal law, shall enter into an agreement with the Virginia Statewide Area Health Education Centers so that qualifying funds may be used at the discretion of each center for obtaining matching nongeneral funds when available.

3. The Statewide Area Health Education Centers (AHEC) Program shall submit a report by October 1 each year to the Chairmen of the Senate Finance Committee, the House Appropriations Committee, and the Joint Commission on Health Care that documents (i) the actions taken to secure nonstate funding to support AHEC activities, and (ii) a cash match of at least 100 percent of the funds provided by the Commonwealth.

C. Out of this appropriation, \$25,000 the first year and \$25,000 the second year is provided from the general fund for five nurse practitioner scholarships pursuant to § [32.1-122.6:02](#), Code of Virginia.

D. Out of this appropriation, \$25,000 the first year and \$25,000 the second year shall be provided from the general fund for scholarships for dental students and loan repayments for dentists. The Department is authorized to use these funds to award either a scholarship or a loan repayment, depending on the needs of the individual dental student or dentist being recruited to a dental underserved area of the Commonwealth. All scholarships or loan repayments shall be awarded in accordance with regulations promulgated by the Board of Health. The Department shall maintain an accounting of the number and amount of the scholarship and loan repayment awards made each year.

E. Out of this appropriation, \$295,920 the first year and \$295,920 the second year from the general fund are provided to support the development of the Southwest Virginia Graduate Medical Education Consortium to create and support medical residency preceptor sites in rural and underserved communities in Southwest Virginia.