**Section 577.240 Scholarship Repayments**

a) Upon the Illinois licensure of the scholarship recipient to practice as a psychiatric physician, the recipient shall provide psychiatric health care in a designated shortage area of Illinois. The term of this service shall be *one year for each academic year he or she* received *assistance*. (Section 10 of the Act)

b) Service as a psychiatric physician shall begin no later than 30 days after the recipient is licensed to practice medicine. The Department shall defer service until the recipient completes a psychiatric care residency. Service shall begin no later than 30 days after the recipient completes the residency.

c) The recipient's internship, residency or other advanced clinical training does not qualify as service repayment of the scholarship obligation.

d) The scholarship recipient shall submit a written request to the Department for approval for a proposed practice location. The Department shall provide approval or disapproval, in the form of a letter, to the scholarship recipient, based on the requirements of this Section. A letter of approval shall include a description of the terms of the service obligation.

1) Without prior written approval from the Department, time in practice at this location shall not meet the scholarship recipient's service obligation.

2) The scholarship recipient may request approval for a practice location up to 18 months preceding the time that practice at the location is to begin.

3) Approval for a practice location is granted for the duration of the scholarship recipient's service obligation.

e) The scholarship recipient's practice shall meet the following requirements:

1) Be located in a designated shortage area;

2) Be a full-time, office-based practice providing face-to-face direct patient care; and

3) Provide continuous full-time service at the rate of 12 months for each academic year of medical school supported by the scholarship.

f) Scholarship recipients may relocate to another practice location, or practice in more than one location, if the Department grants prior written approval.

g) Scholarship recipients shall enter into a written contract with the Department that describes the terms of the service obligation and contains provisions for enforcement of the contract.

h) *Any recipient of assistance under the Act who fails to fulfill his or her obligation to practice full-time in a designated shortage area as a psychiatrist for one year for each year that he or she is a recipient of assistance shall pay to the Department a sum equal to 3 times the amount of the assistance provided for each year that the recipient fails to fulfill such obligation.* This sum represents the fair market value of services lost by the State of Illinois. A recipient has *30 days after the date on which that failure begins to enter into a contract with the Department.* (Section 40 of the Act)

1) The recipient and Department shall enter into a written contract that describes the terms of the repayment and contains provisions for enforcement of the contract.

2) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within a period of time equal to the recipient's service term, or remaining portion of the term, or as otherwise agreed to by the recipient and the Department in writing.

3) *The amounts paid to the Department shall be deposited into the Community Health Center Care Fund and shall be used by the Department to improve access to primary health care services as authorized by Section 2310-200(a) of the Department of Public Health Powers and Duties law.* (Section 40 of the Act)

i) If a scholarship recipient fails to pay monies owed the Department, the Department may refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney.