**Section 577.350 Penalty for Failure to Fulfill Obligation**

a) Upon execution of the grant agreement with the Department, the grantee shall provide full-time medical services in Illinois at a site approved by the Department. The term of this service shall be for three years.

b) If the grantee fails to fulfill his or her obligation to practice full-time in a designated shortage area for one year for each year that he or she is a recipient, the grantee shall repay the Department a sum that is *equal to 3 times the amount of the assistance provided for each year that the recipient fails to fulfill such obligation*. (Section 40 of the Act)

c) A breach of the grant agreement shall include, but not be limited to, the following situations:

1) Failure to practice full-time at the location specified in the grant

agreement;

2) Relocation to an area that is outside of the State of Illinois;

3) Material misstatement in furnishing information to the Department;

4) Making any misrepresentation for the purpose of obtaining loan repayment assistance;

5) Failure to accept medical payments as defined in the Act;

6) Failure to serve targeted populations as defined in the Act;

7) Failure to provide psychiatric care because of an individual's inability to pay; or

8) *Failure to practice in Illinois for three years*. (Section 40 of the Act)

d) To fulfill the repayment requirements, the grantee shall have 30 calendar days from the date the failure begins in which to enter into a contract with the Department. This contract shall contain terms of the repayment and provisions for enforcement of the contract.

e) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within one year after the date that the Director determines that the grantee is in breach of the grant agreement.

f) *The amounts paid to the Department under this Section 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)

g) If the grantee fails to pay monies owed the Department within the required time frame, the Department shall refer the matter to the Illinois Attorney General, a collection agency, or a licensed attorney for resolution.