

97931.05 Process and Penalties when Physician is Unable to Complete Obligation; Notification to Program

(a)

A physician participating in the program shall notify the program in writing within 15 working days of any change in the physician's full-time status, including but not limited to, a decrease in the number of hours providing medical services, termination, resignation, or leave of absence in excess of the time permitted in section 97931.01(d).

(b)

A physician participating in the program who is unable to complete the required three years of service shall pay to the Office, within 365 calendar days after notification by the program, an amount equal to the total amount of loan repayment paid to the physician by the program. Whenever the program has evidence that the physician is unable to complete the required three years of service, it shall notify the participating physician of the amount to be repaid to the Office and the date by which the physician shall make that repayment.

(c)

A physician or the physician's representative may petition the program for modification of the amount to be paid or repaid and/or the time for repayment. The petition shall be in writing, accompanied by those documents necessary to establish the basis for the petition, and shall be filed with the program not later

than 90 working days after the date of the notification. A petition shall be accepted for filing only if it is based on one or more of the following grounds: (1) The physician was terminated without cause. (2) The physician was unable to complete the required three years of service due to factors beyond the physician's control. (3) Both the practice setting and the physician have agreed to the termination of the physician's employment, and the physician has been unsuccessful in obtaining subsequent qualifying employment within 3 months after termination of employment.

(1)

The physician was terminated without cause.

(2)

The physician was unable to complete the required three years of service due to factors beyond the physician's control.

(3)

Both the practice setting and the physician have agreed to the termination of the physician's employment, and the physician has been unsuccessful in obtaining subsequent qualifying employment within 3 months after termination of employment.

(d)

The program shall review the petition and supporting documents and shall notify the physician in writing of its decision within 60 working days after receipt of the complete petition.

(e)

Failure to repay the amount due within 365 calendar days as required in subsection (a) above shall constitute unprofessional conduct and is not subject to Section 2314 of the Business and Professions Code. It shall also result in the accrual of interest, at prime, on the outstanding balance, reporting of the default to credit agencies,

lien(s) on the physician's personal property, and garnishment of the physician's future wages. It may also result in civil damages, including the imposition of attorney fees.