



# FACULTY LOAN REPAYMENT PROGRAM

## Fiscal Year 2011 Application & Program Guidance

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Health Resources and Services Administration  
Bureau of Clinician Recruitment and Service  
5600 Fishers Lane  
Rockville, Maryland 20857

**Questions?** Please call 1-800-221-9393 (TTY: 1-877-897-9910) or email [CallCenter@hrsa.gov](mailto:CallCenter@hrsa.gov), Monday through Friday (except Federal holidays) 9:00 am to 5:30 pm EST.

Frequently Asked Questions are available online at <http://answers.hrsa.gov/>

Authority: Section 738(a) of the Public Health Service Act (42 USC 293b(a)), as amended. Future changes in the governing statute and Program Guidances may also be applicable to Faculty Loan Repayment Program participants.

**TABLE OF CONTENTS**

**PRIVACY ACT NOTIFICATION STATEMENT**.....3

**PROGRAM OVERVIEW**

**INTRODUCTION**.....4

- What is the Faculty Loan Repayment Program (FLRP)?
- What are the benefits of the FLRP?

**ELIGIBILITY REQUIREMENTS, FUNDING PREFERENCES AND APPLICATION PROCESS**.....4

- What are the eligibility requirements?
- What types of educational loans qualify for the FLRP?
- What are the requirements of the FLRP applicant's employing institution?
- How does the FLRP determine which applicants will receive loan repayment?
- What should I know before I apply?
- What should I expect if I am selected to receive an award?

**SERVICE REQUIREMENTS**.....10

- What are the service requirements?
- When does the service obligation begin?
- Will I earn a salary during my service obligation?
- Can I be absent from my academic facility and receive service credit?

**TRANSFER REQUESTS**.....11

- Can I leave my FLRP-approved academic facility prior to completion of service?
- How do I request a transfer to another FLRP-approved facility?

**BREACHING THE CONTRACT**.....12

- What happens if I breach the FLRP contract?

**SUSPENSION AND WAIVER**.....13

- What should I do if I feel I cannot continue my service or payment obligation?
- When would my service obligation be cancelled?

**APPLY NOW**

**TIPS AND IMPORTANT DATES**.....115

- What should I do before I apply?
- When is the application deadline?
- What materials will I need when I apply?

**INSTRUCTIONS**.....12

- General Instructions
- Instructions for Completing Supplemental Forms
- Instructions for Online Application
- Instructions for Supporting Documentation

**CHANGE IN STATUS DURING APPLICATION PROCESS**.....20

- What if I change jobs?
- Can I withdraw my application?
- What if I want to consolidate my educational loans?

**ADDITIONAL MATERIALS**

**RESOURCES FOR APPLICANTS**.....22

**DEFINITIONS**.....21

## **PRIVACY ACT NOTIFICATION STATEMENT**

### **General**

This information is provided pursuant to the Privacy Act of 1974 (Public Law 93-579), as amended, for individuals supplying information for inclusion in a system of records.

### **Statutory Authority**

Section 738(a) of the Public Health Service Act (42 United States Code, Section 293b(a)), as amended.

### **Purpose and Uses**

The purpose of the Faculty Loan Repayment Program (FLRP) is to increase the recruitment and retention of faculty members from disadvantaged backgrounds with an eligible health professions degree or certificate to serve at an eligible academic institution. FLRP provides financial assistance and thereby decreases the economic barriers associated with pursuing such careers. The information applicants provide will be used to evaluate their eligibility for participating in FLRP. In addition, information from other sources will be considered (e.g., credit bureau reports).

A participant's contract, application, required supplemental forms, supporting documentation, correspondence, and related data are maintained in a system of records to be used within the U.S. Department of Health and Human Services to monitor FLRP-related activities. The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, the Government Accountability Office, and pursuant to court order and various routine uses (see <http://www.hrsa.gov/privacyact/sorn/09150037.htm>).

### **Effects of Non-Disclosure**

Disclosure of the information sought is voluntary; however, if not submitted, except for the replies to questions related to Race/Ethnicity (Part II of the online application for the FLRP), an application will be considered incomplete and therefore will not be considered for an award under this announcement.

### **Paperwork Reduction Act Public Burden Statement**

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current OMB control number. The current OMB control number for information collected through this application process is 0915-0150. The public reporting burden for this collection is estimated to average 6 hours per response, including the time for reviewing instructions, researching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to HRSA Reports Clearance Office, 5600 Fishers Lane, Room 10-33, Rockville, Maryland 20857.

## PROGRAM OVERVIEW

### INTRODUCTION

#### **What is the Faculty Loan Repayment Program (FLRP)?**

The Faculty Loan Repayment Program provides individuals who have a keen interest in teaching with loan repayments to serve as a faculty member in an accredited and eligible health professions school. FLRP participants contribute to the Health Resources and Services Administration's, Bureau of Clinician Recruitment and Service's goal of increasing the recruitment and retention of health professions faculty. Supporting careers for health professions educators is vital for preparing the next generation of health care professionals, and the FLRP encourages participants to promote careers in their respective health care fields.

FLRP applicants must be from a disadvantaged background, have an eligible health professions degree or certificate, and have an employment commitment to be a faculty member at an approved health professions institution for a minimum of two (2) years (see "Eligibility Requirements, Funding Preferences and Application Process" section).

FLRP is administered by the Bureau of Clinician Recruitment and Service (BCRS) of the Health Resources and Services Administration (HRSA). HRSA is an agency of the U.S. Department of Health and Human Services (DHHS).

#### **What are the benefits of the FLRP?**

- (1) **Mentoring the future healthcare workforce.** By joining the past and current FLRP participants across the country, you have the opportunity to educate and train the next generation of health professionals.
- (2) **Loan Repayment.** FLRP will provide funds to program participants to repay qualifying educational loans. FLRP will award a lump sum, up to a maximum of \$40,000, for a two-year service obligation. All loan repayments paid to the participant must be used to repay qualifying educational loans and are subject to periodic verification.
- (3) **Tax Assistance Payment.** FLRP payments are subject to Federal income tax and Federal Insurance Contributions Act (FICA) taxes. To assist participants in meeting their tax burden, they receive an additional amount (equal to 39% of the loan repayment amount), which FLRP withholds (pays directly to the IRS) on behalf of the participant for their Federal income and FICA tax liability. All FLRP payments and Federal taxes withheld will be reported to the participant and the IRS on a Form W-2 after the end of the tax year. These FLRP payments may also be subject to State and local income tax.

### ELIGIBILITY REQUIREMENTS, FUNDING PREFERENCES AND APPLICATION PROCESS

#### **What are the eligibility requirements?**

To be eligible for a FLRP award, all applicants must:

- (1) Be a U.S. citizen (either U.S. born or naturalized), U.S. national or Lawful Permanent Resident.

- (2) Provide certification from the health professions school (previously attended by the applicant) that identifies the applicant as coming from a disadvantaged background based on environmental and/or economic factors. HHS defines an individual from a disadvantaged background as one who comes from 1) an environment that has made obtaining the knowledge, skills, and abilities required to enroll in and graduate from a graduate or undergraduate school challenging for the individual, or 2) a family with an annual income below established low-income thresholds. (For more details, refer to the term, "Individual from a Disadvantaged Background" under the Definitions section.)
- (3) Have a degree in one of the following eligible health profession disciplines:
  - a. Allopathic Medicine;
  - b. Osteopathic Medicine;
  - c. Podiatric Medicine;
  - d. Veterinary Medicine;
  - e. Dentistry;
  - f. Pharmacy;
  - g. Optometry;
  - h. Nursing (RN or higher);
  - i. Public Health (graduate level only);
  - j. Physician Assistant;
  - k. Behavioral and Mental Health: clinical psychology, clinical social work, professional counseling, or marriage and family therapy (graduate level only); or
  - l. Allied Health Professions: dental hygiene, medical laboratory technology, occupational therapy, physical therapy, radiology technology, speech pathology, audiology, and registered dietitians (baccalaureate or graduate level; see Definitions).

An applicant in his/her final year of approved graduate training or final year of study must submit by the application closing date of **May 6, 2011** (*postmark date*) a letter of good standing from his/her Program Director indicating the expected date of graduation. The individual must graduate no later than **June 30, 2011** to be eligible for the FLRP in FY 2011.

- (4) Have an employment commitment from an eligible health professions school for a full-time or part-time (as defined by the school) faculty position for a minimum of 2 years, with employment to commence on or before July 31, 2011. Eligible health professions schools must be located in a State and be an accredited public or nonprofit private school (see exception below) of:
  - a. Allopathic or osteopathic medicine;
  - b. Dentistry;
  - c. Nursing;
  - d. Pharmacy;
  - e. Allied health;
  - f. Podiatric medicine;
  - g. Optometry;

- h. Veterinary medicine;
- i. Public health (graduate level);
- j. A school offering physician assistant education programs; or
- k. A school offering graduate programs in behavioral and mental health.

**Exception:** Schools of Nursing and schools offering physician assistant education programs may be one of the following: public, private nonprofit, or private for profit. All other schools listed above must be public or private nonprofit institutions.

- (5) Have a written agreement with the eligible health professions school in which the school has agreed to pay principal and interest due on the applicant's educational loans in an amount equivalent to the loan repayments made by the DHHS under FLRP, unless the school has been granted a full or partial waiver of this requirement from the FLRP. This amount is in addition to the pay the individual would otherwise receive as a faculty member. (See "What are the requirements of the FLRP applicant's employing institution?" below.)

An applicant will be deemed ineligible if he/she:

- (1) Has any judgment liens arising from a Federal debt;
- (2) Has an outstanding contractual obligation for health professional service to the Federal Government, a State, or other entity (e.g., under the National Health Service Corps Loan Repayment Program, the State Loan Repayment Program, the Nursing Education Loan Repayment Program, or the Faculty Loan Repayment Program) that will not be completed by the application deadline;

**Exception:** Individuals in a Reserve component of the Armed Forces, including the National Guard, are eligible to participate in the FLRP. Reservists should understand the following:

- Military training or service performed by reservists will not satisfy the FLRP service commitment. If a participant's military training and/or service, in combination with the participant's other absences from the facility will exceed 7 weeks per service year, as set forth under Service Requirements (see page 10), the participant should request a suspension of his/her service obligation. The FLRP payment will be stopped while the reservist is on an approved suspension and will resume when the reservist returns to fulfill their service obligation. The service obligation end date will be extended to compensate for the break in service.
- If the FLRP-approved facility where the reservist is serving at the time of his/her deployment is unable to reemploy that reservist, the reservist will be expected to complete his/her FLRP service obligation at another eligible, approved facility. The reservist must contact FLRP and request a transfer, and receive approval, in accordance with the transfer policy (see page 11).

- (3) Has defaulted on any Federal payment obligations (e.g., Health Education Assistance Loans, FHA Loans, Federal income tax liabilities, etc.) or non-Federal payment obligations (e.g., court-ordered child support payments);

- (4) Has defaulted on a prior service obligation to the Federal government or a State or local government, even if subsequently, that obligation was satisfied through service, monetary payment or other means;
- (5) Had any Federal or non-Federal debt written off as uncollectible;
- (6) Is currently excluded, debarred, suspended, or disqualified by a Federal agency from participating in a covered transaction; or
- (7) Has failed to apply all FLRP funds previously received (if applicable) toward the qualifying educational loans. Payment histories from the lender(s) will be required.

### **What types of educational loans qualify for FLRP?**

FLRP participants will receive funds (up to \$40,000 for 2 years of service) from FLRP to repay the outstanding principal and interest of qualifying educational loans (see Definitions). The qualifying educational loans must be obtained prior to the date the participant submits his/her online application to the FLRP. Loans incurred after the application deadline will not be considered for loan repayment under a Fiscal Year 2011 contract (but could be considered under a subsequent FLRP application and contract).

- (1) **Qualifying Educational Loans** are loans obtained from Government (Federal, State or local) or commercial lenders for actual costs paid for:
  - a. Tuition, fees, and other reasonable educational expenses (see Definitions) for undergraduate and/or graduate education; and
  - b. Reasonable living expenses (see Definitions) incurred while enrolled in undergraduate and/or graduate education.

Examples of qualifying educational loans include: Federal Perkins student loans that are not subject to cancellation, Stafford Loans, and commercial Supplemental Loans for Students.

- (2) **Consolidated Loans** may also be eligible within the following guidelines:
  - a. The consolidated/refinanced loan must be from a Government (Federal, State, or local) or commercial lender and must include only the applicant's qualifying educational loans.
  - b. If an otherwise eligible educational loan of the applicant is consolidated/refinanced with ineligible (non-qualifying) debt of the applicant or loans of another individual, no portion of the consolidated/refinanced loan will be eligible for loan repayment.
- (3) **Non-Qualifying Loans** include but are not limited to:
  - a. Loans for which the associated documentation does not identify the loan as applicable to undergraduate or graduate education.
  - b. Loans obtained from family members, or from private institutions or other entities that are not subject to Federal or State examination and supervision as lenders.
  - c. Loans that have been paid in full.
  - d. PLUS Loans (made to parents).
  - e. Credit Cards
  - f. Personal Lines of Credit.
  - g. Loans subject to cancellation for faculty employment (e.g., Perkins loans subject to cancellation for full-time faculty employment at Tribal College or University, Nursing Faculty Loan Program loans subject to cancellation for full-time faculty employment at

a school of nursing), unless the applicant can provide documentation that such loans are not subject to cancellation.

Documentation of loans will be required. Qualifying educational loans must have documentation to establish that they were contemporaneous with the education received. Loan documentation will be verified by contacting lender(s)/holder(s) and checking the applicant's credit report.

### **What are the requirements of the FLRP applicant's employing institution?**

The employing institution must be an eligible health professions school and must satisfy the following requirements:

- (1) **Employment Contract.** The employing institution must enter into a contract with the applicant to serve as a full-time or part-time (as defined by the school) faculty member for a minimum of 2 years.
- (2) **Loan Repayment Agreement/Waiver of Loan Repayment Requirement.** The employing institution must enter into a written agreement with the applicant to make loan repayments in an amount equal to the FLRP loan repayments or request and be granted a full or partial waiver of this loan repayment requirement.
  - a. **Loan Repayment Agreement.** The employing institution's loan repayment agreement must provide that:
    - i. The institution will make payments of the principal and interest due on the educational loans of the faculty member in an amount equal to the amount of such payments made by DHHS under its 2-year FLRP contract (the maximum amount is \$40,000 for 2 years);
    - ii. The loan repayments made by the school will be in addition to the pay that the faculty member would otherwise receive and the amount of the faculty member's pay will be determined without regard to the amount of the payments made by DHHS under its 2-year FLRP contract.
  - b. **Waiver of Loan Repayment Requirement.** The Secretary of the DHHS or his/her designee may waive all or part of the above requirement if the Secretary or his/her designee determines, based on documentation submitted by the employing institution, that the requirement will impose an undue financial hardship on the employing institution. The following items are examples of documentation that would support a waiver request:
    - i. Documentation of diminished financial resources (e.g., consistent budget cuts, reduced earnings on endowments, and/or unexpected expenditures), such that payment of all or part of the matching loan repayment funds would impose an undue financial hardship; or
    - ii. Documentation showing the institution is engaged in collective bargaining agreement(s) that either prohibits such differential compensation or that would require the institution to provide a similar amount of support for faculty not covered under the FLRP.

In instances where a partial waiver is requested, the employing institution must also enter into a written agreement with the applicant to pay the remaining portion of the loan repayment match amount outlined in a. above.

- (3) **Completion of “Institution Employment/Loan Repayment Verification Form.”** The employing institution must complete this Form. The Form provides employment information, verification that the applicant will serve as a faculty member for a minimum of 2 years, and information regarding the institution’s ability to make loan repayments.

**How does the FLRP determine which applicants will receive loan repayment?**

The program uses funding preferences to determine the sequential order in which awards are made to qualified applicants. A funding preference will be given based on the applicant’s employing eligible health professions school’s institutional match status (i.e., fully matching the DHHS level of loan repayments, partially matching the DHHS level of loan repayments, or no match required). For the “partial match” and “no match” statuses, the applicant’s employing school must have received a partial or full waiver of the matching requirement.

Applicants will be grouped into one of the funding preference levels described below. Awards will be made to applicants, starting with the first preference level, in order of decreasing financial need within each level, until funds are expended. Priority will also be given to those clinicians serving as full-time faculty and to faculty who demonstrate a commitment to promoting health care careers.

<b>FUNDING PREFERENCE LEVEL</b>	<b>INSTITUTIONAL MATCH</b>
<b>First Preference</b>	Full Match (100%)
<b>Second Preference</b>	Partial Match (1-99%); Partial Waiver
<b>Third Preference</b>	No Match (0%); Full Waiver

**What should I know before I apply?**

In FY 2010, FLRP received 670 eligible applications and made 23 awards to faculty members working at eligible health profession schools.

The deadline for submitting an application is May 6, 2011. All applications, supplemental forms, and supporting documentation must be postmarked by this date. The review and award process may take up to four months to complete. Awards will be made no later than September 30, 2011.

Applicants will receive a confirmation email upon submission of an online application. Due to the high volume of applications, applicants will not receive a confirmation receipt of Supplemental Forms and Supporting Documentation.

**What should I expect if I am selected to receive an award?**

If your application is approved, FLRP will notify you by e-mail that you have been identified as a possible recipient of a FLRP award, and send you the FLRP contract to sign and return. You will be asked to verify that you are still working at the eligible health professions school identified in your

application. At the same time, you will also be asked to furnish your banking information to facilitate the electronic transfer of the award funds.

The FLRP frequently corresponds with applicants by e-mail. Please check your e-mail during the application process for correspondence from our office and make certain to disable SPAM blockers (or check your SPAM folder).

If an applicant is selected for a FLRP award, the individual's contract is signed by the Secretary of Health and Human Services or his/her designee. Note that a contract is not effective until signed by the Secretary or his/her designee. An award letter, copy of the individual's signed contract and a Payment Authorization Worksheet (PAW) will be sent to each awarded individual.

Loan repayment funds will be provided to participants in one lump sum payment. The lump sum payment to the participant will be made electronically by direct deposit – approximately 90 days after the effective date of the award. The disbursements will be made to the account identified in the banking information (submitted electronically by the participant), unless a Banking Update Form has been received with revised account information.

Please note that only the Secretary or his/her designee can make a FLRP contract award. A FLRP award cannot be guaranteed by a school, any other person, or entity.

**Important Notes:**

- (1) Participants must immediately notify FLRP, in writing, of any changes in mailing address, telephone number, email address, name, or financial institution (bank) information. Applicants must provide written notification of any changes in their contact information no later than 2 weeks after the change occurs. In the case of a name change, please provide legal documentation, such as a copy of a marriage certificate. Please send updated information to:

Change of Information - FLRP  
5600 Fishers Lane, Room 8-72  
Rockville, Maryland 20857

- (2) Previous FLRP participants may re-apply for a new two-year contract if they have 1) completed the previous FLRP service obligation in good standing; 2) have remaining qualifying educational loans; and 3) provide a payment history showing that all FLRP funds were applied to the approved qualifying educational loans.

**SERVICE REQUIREMENTS**

**What are the service requirements?**

In exchange for FLRP benefits, a FLRP participant agrees to provide two (2) years of full-time or part-time service (as defined by the school) as a faculty member at an eligible health professions school. Under the guidelines of FLRP, it is expected that a participant will fulfill his/her service obligation at

the employing institution identified in his/her application. The duties of a faculty member must primarily consist of teaching (as defined by the employing academic institution). Employment verifications will be conducted twice a year during the service period.

**When does the service obligation begin?**

A participant's FLRP service start date will be the date the Secretary of the Department of Health and Human Services or his/her designee countersigns the FLRP contract, or the date the participant commences employment at the eligible health professions school, whichever is later. The applicant's signature alone on the contract does not constitute a contractual agreement. Employment prior to the Secretary's countersigning of the FLRP contract does not count toward the fulfillment of the service obligation.

**Will I earn a salary during my service obligation?**

FLRP participants will receive salary and benefits from the employing health professions school. Employment compensation packages may be negotiated between the participant and his/her employer. The academic institution cannot guarantee a FLRP contract. Therefore, the FLRP loan repayments should not be a part of any salary negotiations between the participant and his/her employer.

**Can I be absent from my academic facility and receive service credit?**

No more than seven (7) weeks of the applicant's scheduled work period (9 to 12 months) per service year can be spent away from the facility for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. FLRP-approved absences totaling greater than 7 weeks during the scheduled work period of a service year require an extension of the contract end date.

*Service Verification*

The FLRP will send each participant a verification form that must be submitted for each six months of service. The form must be completed and signed by the participant and an authorized official at the approved health professions school. By signing this form, the school will be certifying the participant's compliance or non-compliance with the full-time or part-time service requirement during that six-month period. The form will also record the participant's time spent away from the facility during that period. Participants who fail to complete and submit their six-month service verification forms on time jeopardize receiving service credit and may be recommended for default. The form will be provided electronically to participants and should be faxed back to the Division of Program Operations at (301) 451-5384. Any participant who does not receive a six-month verification form should immediately contact the FLRP at 1-877-313-1823 or (301) 446-1630.

TRANSFER REQUESTS

**Can I leave my FLRP-approved academic facility prior to completion of service?**

The FLRP expects that a participant will fulfill his/her obligation at the FLRP-approved facility identified on his/her application; however, the FLRP does understand that circumstances may arise that require a participant to leave their initial facility and complete service at another eligible health

professions school. If a participant feels he/she can no longer continue working at the approved academic institution, the participant should contact the FLRP immediately. If the participant leaves his/her approved facility without prior written approval from the FLRP, he/she may be placed in default.

### **How do I request a transfer to another FLRP-approved academic facility?**

If a participant is unable to complete his/her service obligation at the initial employing academic institution, he/she must notify FLRP immediately, in writing, before the participant leaves his/her current institution, and specify the issues or concerns affecting his/her ability to maintain compliance with his/her FLRP service obligation. Participants requesting a transfer may contact FLRP at the following address:

Transfer Requests – FLRP  
Division of Program Operations  
5600 Fishers Lane, Room 8-15  
Rockville, Maryland 20857  
Fax: (301) 451-5384

If a participant leaves his/her initial employing institution without requesting and receiving written approval for a transfer, he/she may be placed in default and held liable for the monetary damages specified in the contract. If a transfer is approved, once the participant has commenced service at the new eligible health professions school, the service end date will be extended to account for any break in service. The new institution must agree to meet the requirements outlined in the “What are the requirements of the FLRP applicant’s employing institution?” section of this guidance.

If a transfer is approved and the participant does not resume service at another eligible health professions school within 60 days after ceasing employment at the initial employing institution, the participant may be recommended for default of his/her FLRP obligation.

### **BREACHING THE CONTRACT**

#### **What happens if I breach the FLRP contract?**

The FLRP encourages participants to immediately contact the FLRP if a situation arises in which a participant is potentially unable to fulfill his/her service obligation. The FLRP will work with participants to assist them to the extent possible to avoid a breach and fulfill the service obligation. A participant who breaches the FLRP contract by failing to begin or complete his/her two-year service obligation will be placed in default and will be liable to pay an amount equal to the sum of the following:

- (1) The amount of loan repayments paid to the participant representing any period of obligated service not completed, plus 39% of that amount (representing the amount paid/withheld for Federal taxes on that amount); and
- (2) \$1,000 multiplied by the number of months of obligated service not completed.

Please note that a breach of the contract will permanently disqualify the individual from receiving future awards under FLRP and some other Federal programs.

Any amounts the United States is entitled to recover, as set forth above, must be paid within 30 days from the date the DHHS' first demand letter is mailed. If these amounts are not repaid by the due date, interest and other delinquent charges will be assessed as provided by 45 Code of Federal Regulations Section 30.18.

Failure to pay the FLRP debt by the due date also has the following consequences:

- (1) **Report to Credit Agencies.** The debt will be reported to credit reporting agencies as "delinquent."
- (2) **Debt Collection.** The debt will be referred to a debt collection agency and the Department of Justice. Any FLRP debt past due for 45 days will be referred to a debt collection agency. If the debt collection agency is unsuccessful in collecting payment in full, the debt will be referred to the Department of Justice for enforced collection.
- (3) **Administrative offset.** Federal and/or State payments due to the participant (e.g. an IRS or State income tax refund) may be offset by the Department of Treasury to repay a delinquent FLRP debt. Also, recovery through Administrative Wage Garnishment may be enforced to repay a delinquent FLRP debt.
- (4) **Bankruptcy.** A financial obligation under the FLRP may only be discharged in bankruptcy if the discharge is granted more than seven years after the due date and only if a bankruptcy court determines that the non-discharge of the debt would be unconscionable.

## SUSPENSION AND WAIVER

### **What should I do if I feel I cannot continue my service or payment obligation?**

The Secretary of Health and Human Services may, under certain circumstances, suspend (put "on hold") or waive (excuse) the FLRP service or payment obligation. A request for a suspension or waiver must be submitted in writing to:

Suspension and Waiver Requests – FLRP  
Division of Program Operations  
5600 Fishers Lane, Room 8-15, Rockville, Maryland 20857  
Fax: (301) 451-5384

- (1) Suspension. This mechanism provides temporary relief to a FLRP participant if he/she has short-term (not permanent) circumstances that currently make compliance with the obligation impossible or would involve an extreme hardship such that enforcement of the obligation would be unconscionable. Periods of approved suspension will extend a participant's FLRP service obligation end date.

All periods of time away from the approved facility should be documented by the employer on the six-month service verification form. If the total time away from the site, including the

period of suspension, exceeds 7 weeks per service year as set forth under Service Requirements (“Can I be absent from my employing school and receive service credit?”), the service obligation end date will be extended accordingly.

The major categories of service suspensions are set forth below.

- a. **Leave of Absence for Medical or Personal Reasons.** A suspension may be granted for up to one year, if the participant provides independent medical documentation of a physical or mental health disability, or personal circumstances, including a terminal illness of an immediate family member, which results in the participant’s temporary inability to perform the FLRP obligation. Upon receipt of the written suspension request, the OLC will send the participant instructions for submitting supporting documentation.
  - b. **Maternity/Paternity/Adoption Leave.** Participants must notify the FLRP of pending maternity/paternity/adoption leave and provide appropriate documentation. Maternity/paternity/adoption leave of 12 weeks or less will be automatically approved, if properly documented. If the participant’s maternity/paternity/adoption leave will exceed 12 weeks during that service year, a suspension may be granted by the OLC based on documented medical need.
  - c. **Call to Active Duty in the Armed Forces.** Participants who are also military reservists and are called to active duty will be granted a suspension, for up to one year, beginning on the activation date described in the reservist’s call to active duty order. In addition to the written request for a suspension, a copy of the order to active duty must be submitted to FLRP. The suspension will be extended if the applicable Armed Forces entity continues the period of active duty. The period of active military duty will not be credited toward the FLRP service obligation.
- (2) **Waiver.** A waiver permanently relieves the participant of all or part of the FLRP obligation. A waiver will be granted only if the participant demonstrates that compliance with his/her obligation is permanently (a) impossible or (b) would involve an extreme hardship such that enforcement of the obligation would be unconscionable. A request must be submitted in writing to the FLRP and must specify the reason(s) the waiver is being sought. The participant will be contacted directly by the FLRP regarding the medical and financial documentation necessary to process the waiver request. Please note that waivers are not routinely granted, and require a demonstration of compelling circumstances.

#### **When would my service obligation be cancelled?**

A participant’s obligation will be cancelled only in the event of death. No liability will be transferred to the participant’s heirs.

## **APPLY NOW**

### TIPS AND IMPORTANT DATES

#### **What should I do before I apply?**

Please read the *Application and Program Guidance* in its entirety before proceeding with an application. It explains the contractual obligations of the Secretary of Health and Human Services and FLRP participants. Be sure you understand the obligation to serve full-time or part-time for 2 years at an eligible health professions school, and the financial consequences of failing to perform that obligation. Applicants are strongly encouraged to print and retain a copy of the *Application and Program Guidance* for future reference.

#### **When is the application deadline?**

A complete electronic application must be submitted by 5:00 pm EST on May 6, 2011. All required supplemental forms and appropriate supporting documentation must be faxed or postmarked by May 6, 2011.

Awards are subject to the availability of funds. Awards will be made no later than September 30, 2011. Applicants not selected for an award will be notified no later than October 31, 2011.

#### **What materials will I need when I apply?**

To apply to the FLRP, you must submit a complete application package consisting of:

- (1) **Online Application**
  - a. The information collected in the online application will provide an initial ranking of your application for purposes of the funding preferences.
- (2) **Supplemental Forms**
  - a. Signed FLRP Application Checklist and Self-Certification Form;
  - b. Loan Information and Verification Forms;
  - c. Institution Employment/Loan Repayment Verification Form;
  - d. Authorization to Release Information; and
  - e. Certification regarding Debarment, Suspension, Disqualification, and Related Matters.
- (3) **Supporting Documentation**
  - a. Copy of employment contract;
  - b. Proof of U.S. Citizenship or U.S. National status (e.g. copy of birth certificate, certificate of citizenship, passport, or naturalization certificate) or Lawful Permanent Resident status;
  - c. Proof of Disadvantaged Background from school official;
  - d. Copy of health professional degree or certificate OR, if you are in the last year of a course of study in an eligible discipline, a letter of good standing from your Program Director which indicates your expected graduation date;
  - e. Curriculum Vitae (CV) documenting all education and training dates, and accounting for time periods and/or employment since the applicant's completion of a qualifying health professions education;
  - f. Transcripts;

- g. Copy of written agreement with employing institution to provide matching loan repayments; and/or a letter from your employing institution requesting a partial or full waiver of the loan repayment obligation, with supporting documentation of undue financial hardship.

The following Supporting Documentation is required, when applicable:

- (1) Copy of complete loan payment history of previous awarded funds (applicable to past FLRP award recipients).
- (2) Privacy Act Release Authorization Form (if you wish to authorize release of information to a third party).
- (3) Letter of Good Standing from Program Director (for applicant in his/her final year of approved graduate training or final year of study which indicates expected date of graduation).
- (4) Copy of current health profession license (to verify that applicant officially obtained qualifying health professions degree).

Application packages deemed incomplete (e.g., missing, illegible, or incomplete application materials) after May 6, 2011 will not be considered for funding. FLRP will NOT accept updates to your online application after its submission (other than name and home and email address updates). FLRP will NOT accept the submission/resubmission of incomplete, rejected, or otherwise delayed application materials after the deadline. In addition, FLRP staff will not fill in any missing information or contact applicants regarding missing information.

## INSTRUCTIONS

### **General Instructions**

Send your required Supplemental Forms and Supporting Documentation to:

Faculty Loan Repayment Program (FLRP)  
c/o HRSA Document Center  
12530 Parklawn Drive, Suite 350  
Rockville, Maryland 20852  
OR  
Fax To: 855-444-6033

Please send your supporting forms and documents by either fax or mail, not both. Failure to comply may result in a delay in processing your application.

If you have questions, please call 1-800-221-9393 (TTY: 1-877-897-9910), Monday through Friday (except Federal holidays) 9:00 am to 5:30 pm EST or send an email to [CallCenter@hrsa.gov](mailto:CallCenter@hrsa.gov).

If any of the forms/documents described below are not included with the application, are not signed, or are otherwise incomplete, or if the forms are not clearly printed on separate sheets of white, 8 ½"

x 11" paper, the application will be deemed incomplete and the applicant will not be considered for a FLRP award.

Do not send original loan consolidation forms, or proof of citizenship documents that cannot be replaced. Documents must be retained in an official file and will not be returned. Applicants should keep a copy of their application package for their own records.

Due to the volume of applications, supporting documentation received by mail or fax will not be confirmed. You are encouraged to send your documents in a manner that will provide you with a receipt of delivery confirmation (including copies of fax confirmations when applicable).

### **Instructions for Online Application**

Instructions for completing the application are provided in the online application. It is strongly recommended that before you attempt to complete the online application you:

- (1) Review the Application and Program Guidance completely;
- (2) Download and complete the required Supplemental Forms and obtain Supporting Documentation;
- (3) Develop a list of all institutions (diploma school, college, university) where loans were incurred towards your respective health professions degree or certification, for those loans being submitted for loan repayment. Applicants will be asked to provide the type of degree received, the school name and address, the attendance start and end dates, and the graduation date if applicable; and
- (4) Develop a Curriculum Vitae (CV), which documents all education, training, and degrees, and accounts for all time periods/employment since the completion of a qualifying health professions education.
- (5) Upon completion and submission of the online application, applicants will receive a receipt indicating a successful submission and an email confirming the online submission. Please print these receipts and retain them for your records.

### **Instructions for Completing Supplemental Forms**

- (1) **FLRP Application Checklist and Self-Certification Form.** The Checklist and Self-Certification assists applicants and the FLRP staff in verifying the completeness of the application. Please complete the Checklist and carefully read the certification statement at the bottom of the Checklist. The statement must be signed for the application to be considered complete and to certify the information you provided is accurate.
- (2) **Loan Information and Verification Form(s).** Before you begin completing this form, please note the following:
  - a. The types of loans that qualify and do not qualify for repayment under the FLRP in the Program Overview section of the Guidance under "Eligibility Requirements, Funding Preferences and the Application Process;"
  - b. The "Statement of Customer Rights under the Right to Financial Privacy Act of 1978" (set forth below); and

- c. The “Loan Documentation” section (item 3) of the “FLRP Application Checklist and Self-Certification Form.”
  - d. Please complete a Loan Information and Verification Form (LIVF) for each loan you wish the FLRP to consider for repayment. This form authorizes your lender to release information about your loan to the FLRP for purposes of assessing and verifying the amount and eligibility of your educational loans. These forms must be mailed to the FLRP. Do not send the LIVF to your lender. The FLRP will forward these forms to your lenders to verify the loan amounts, balances, and purposes of the loan.
  - e. FLRP requests that you send in the following documents verifying your loans: 1) a copy of the Aid Summary report from the National Student Loan Data System (preferred) or disbursement report from your commercial lender or holder and 2) a current account statement for each loan submitted. Loans without the required loan documents will be ineligible.
  - f. If you have consolidated your qualifying educational loans, you may fill out one LIVF for the consolidation, but you must list the original date, original amount, and loan type for each educational loan in the consolidation (see item 9b. of the LIVF). If there is not enough room in item 9b., you may attach a separate sheet of paper to the LIVF listing the requested information for each loan in the consolidation. The current balance and interest rate of the consolidated loan should be entered in item 12.
  - g. A group loan is not a consolidation. You may make one payment and still have several loans. If this is the case, then you have a “grouped” loan. If you have a grouped loan, you must provide a LIVF for each loan contained in the group. A consolidation is where all of the loans that make up the consolidation have been paid off and you are left with one loan and one payment.
  - h. Loan consolidations/refinances that occur before the applicant’s submission of the online application are acceptable if the applicant submits an LIVF and the supporting loan documentation for the consolidated/refinanced loans simultaneously with the online application. If qualifying educational loans are consolidated/refinanced after the online application is submitted, and prior to the date an award is made, those loans will not be considered for loan repayment. Therefore, applicants are encouraged to consolidate/refinance their qualifying educational loans before submission of their online application.
  - i. All loan balances submitted for loan repayment consideration will be verified to determine whether they are eligible for repayment under the FLRP by contacting lender(s) or holder(s) and checking the applicant’s credit report.
- (3) **Institution Employment/Loan Repayment Verification Form.** The applicant’s employer must fill out this form and return it to the applicant for submission with the other application materials.
- a. Name of Institution is the name of the university or college where the applicant will work to fulfill the FLRP service obligation.
  - b. Employment start date is the month, day, and year the applicant will begin or began his or her faculty appointment. Faculty employment prior to the effective date of a FLRP contract will not count toward the fulfillment of the two-year service obligation.

- c. Medically Underserved Area (MUA) is an area or population designated by Health Resources Services Administration (HRSA) as having a shortage of personal health services.\*
- d. Health Profession Shortage Areas (HPSAs) are areas, population groups and facilities designated by HRSA as having shortages of primary medical, dental, or mental health care practitioners.\*

\*To determine if an institution is in a MUA or HPSA, please go to:

<http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx>

The applicant's employer or designated human resources officer's name, title, mailing address, phone, email, signature, and date of signature are required on the form.

- (4) **Authorization to Release Information Form.** This form authorizes HHS, and/or its contractors, to release information that identifies the applicant for purposes of obtaining the applicant's educational loan information and checking whether the applicant appears on the Excluded Parties List System. It also authorizes any program to which the applicant owes a health profession service obligation and the applicant's employing school to release information to HHS and/or its contractors.
- (5) **Certification Regarding Debarment, Suspension, Disqualification, and Related Matters Form.** This form contains a certification regarding whether an applicant is barred by Federal law from participating in "covered transactions" or has been convicted of, or indicted for, certain offenses. Applicants should read the entire form and sign the Certification at the bottom of the form that is applicable to their situation.

#### **Instructions for Supporting Documentation**

- (1) **Employment Contract.** The applicant must submit a copy of the contract to validate his or her full-time or part-time employment with the academic institution. The contract should document the individual's effective start and end dates in addition to his or her base salary.
- (2) **Documentation of Citizenship or Resident Status.** Applicants born outside the United States must provide proof of U.S. citizenship or status as a U.S. National or Lawful Permanent Resident (e.g., a copy of a certificate of citizenship or naturalization, U.S. passport ID page or permanent resident card, as applicable).
- (3) **Proof of Disadvantage Background.** An official school document (on school letterhead) provided by the health professions school (previously attended by the applicant) which must be signed and authorized by a program or school administrator, indicating that the applicant was economically and/or environmentally disadvantaged (see Definitions).
- (4) **Health Profession Degree or Certificate.** A copy of the applicant's official health professions degree(s) or certificate(s) as awarded by the accredited institution(s) must be provided. The document must include the applicant's name, type of degree, date conferred, and signature by an authorized program director, dean, or other school official.

- (5) **Curriculum Vitae.** Individuals are required to submit a Curriculum Vitae (CV), which documents all education, training, and degrees, and accounts for all time periods and employment since the applicant's completion of a qualifying health profession education.
- (6) **Transcripts.** Applicants must submit transcript(s) from each college, university or health professions school attended for all health profession education coursework directly related to the attainment of their degree(s), if the applicant is seeking repayment for loans incurred while attending that institution. If a degree was obtained from an institution, the transcript must state the type of degree and the date it was conferred. The program will accept unofficial transcripts only if they are faxed.
- (7) **Employer's Agreement to Loan Repayment Match/Request for a Waiver of the Loan Repayment Match.** The applicant must submit the documentation outlined in (a), (b) or (c) below:
  - a. A copy of the employer's written agreement to pay the applicant a loan repayment amount equal to the DHHS/FLRP loan repayment amount;
  - b. A request from the applicant's employer for a full waiver of the requirement to match the DHHS/FLRP loan repayment amount, with supporting documentation of undue financial hardship; OR
  - c. A request from the applicant's employer for a partial waiver of the requirement to match the DHHS/FLRP loan repayment amount, with supporting documentation of undue financial hardship, and a copy of the employer's written agreement to pay the applicant the remainder of the loan repayment match amount.
- (8) **Letter of Good Standing.** An official letter from Program Director for applicants in his or her final year of approved graduate training or final year of study which indicates expected date of graduation.
- (9) **Copy of Current Health Professions License.** A copy of the applicant's license to verify his or her attainment of the qualifying health professions degree(s) or certificate(s) and ability to serve as a faculty member.

#### CHANGE IN STATUS DURING APPLICATION PROCESS

##### **What if I change jobs?**

Applicants may switch to a position at another eligible health professions school prior to submitting their online application. The employment information in the online application must match the information on the Employment Verification Form. If an applicant changes a facility after submitting an application, the applicant will not be considered for an award.

##### **Can I withdraw my application?**

The FLRP contract becomes effective on the date it is countersigned by the Secretary or his/her designee. Once the contract becomes effective, the applicant is obligated to provide 2 years of full-time or part-time service at an accredited health professions school.

An applicant may withdraw his/her application at any time prior to the Secretary's signing the contract. As soon as an applicant becomes aware that he/she will not be able to commence

service at the accredited health professions school identified in the application, the applicant should submit a request in writing to withdraw his/her application from consideration. Please send a written or email request to:

[CallCenter@hrsa.gov](mailto:CallCenter@hrsa.gov)

OR

FLRP - Application Withdrawal  
Division of Nursing and Public Health  
5600 Fishers Lane, Room 8-72  
Rockville, Maryland 20857  
Fax: (855) 444-6033

If the applicant withdraws his/her application before the applicant's contract is signed by the Secretary or his/her designee, the applicant will be eligible to apply to the FLRP in the future.

If the applicant's contract is signed by the Secretary or his/her designee prior to FLRP's receipt of the applicant's written request for withdrawal, the application can no longer be withdrawn. Therefore, if the applicant fails to commence service on the effective date of the contract at the health professions school identified in the application, the applicant will be in breach of the contract, liable for the payment of damages specified in the contract, and will be permanently disqualified from receiving future awards under the FLRP and some other Federal Programs.

#### **What if I want to consolidate my educational loans?**

Loan consolidations/refinances that occur before the applicant's submission of the online application are acceptable, provided that the applicant submits Loan Documentation (see Checklist in this Application and Program Guidance) for the consolidated/refinanced loans simultaneously with the online application. If the Loan Documentation is not submitted concurrently with the applicant's online application and does not match the consolidated loan information that appears on the online application, the consolidated/refinanced loan will not be considered for loan repayment. If the applicant has consolidated otherwise qualifying educational loans with any other debt or with the loans of another individual, the entire consolidated loan is ineligible.

Loans that are consolidated/refinanced after the online application is submitted and prior to the date an award is made will not be considered for loan repayment.

## ADDITIONAL MATERIALS

### RESOURCES FOR APPLICANTS

Any individual with questions about the FLRP may contact the BCRS Call Center Monday through Friday (except Federal holidays), from 9:00 AM to 5:30 PM, EST.

- [CallCenter@hrsa.gov](mailto:CallCenter@hrsa.gov)
- 1-800-221-9393
- TTY – 1-877-897-9910

### DEFINITIONS

**Administrative Funding Preferences** – Objective factors that are used to place an applicant ahead of others without the preference on a list of applicants recommended for funding.

**Commercial Loans** – Commercial loans are defined as loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and other financial or credit institutions which are subject to examination and supervision in their capacity as lenders by an agency of the United States or of the State in which the lender has its principal place of business.

**Default of Payment Obligation or Debt** – Being more than 120 days past due on the payment of a financial obligation.

**Default of Service Obligation** – Failure to begin or complete a service obligation owed to an entity pursuant to a legal agreement.

**Division of Nursing and Public Health** – A division of the Bureau of Clinician Recruitment and Service of the Health Resources and Services Administration.

**Eligible Disciplines** – Individuals in the following disciplines are eligible to apply for FLRP awards: allopathic, osteopathic, podiatric or veterinary medicine; dentistry, pharmacy, optometry, nursing (RN or higher), public health (graduate level only), physician assistants, graduate programs in behavioral and mental health (clinical psychology, clinical social work, professional counseling, and marriage and family therapy), and allied health (baccalaureate or graduate degree programs of dental hygiene, medical laboratory technology, occupational therapy, physical therapy, radiologic technology, speech pathology, audiology, and registered dietitians).

**Eligible Health Professions Schools** – Public or private nonprofit schools located in a State which are accredited schools of or have accredited programs of: allopathic, osteopathic, podiatric or veterinary medicine; dentistry, pharmacy, optometry, public health, behavioral and mental health, or allied health. Public, private nonprofit, or private for profit schools located in a State which are accredited schools of or have accredited programs of nursing or physician assistant.

**Faculty Loan Repayment Program (FLRP)** – The FLRP is authorized by Section 738(a) of the Public Health Service Act, as amended. Under the FLRP, eligible individuals from disadvantaged

backgrounds provide service as a faculty member at eligible health professions schools in exchange for funds for the repayment of their qualifying educational loans.

**Federal Judgment Lien** - A lien that is placed on an individual's home or property when a court-ordered judgment is entered against the individual for an unpaid Federal debt (e.g. a Federal student loan or a Federally-insured home mortgage). An IRS tax lien that is not created pursuant to a court-ordered judgment is not a Federal judgment lien.

**Fiscal Year (FY)** – The Federal FY is defined as October 1 through September 30.

**Government Loans** – Loans which are made by Federal, State, county or city agencies which are authorized by law to make such loans.

**Health Resources and Services Administration** – An operating agency of the U.S. Department of Health and Human Services.

**Holder** – The commercial or Government institution that currently holds the promissory note for the qualifying education loan.

**Individual from a Disadvantaged Background** – An individual who has been certified by the health professions school (previously attended by the applicant) as having come from a “disadvantaged background” based on economic and/or environmental factors. “Environmental factors” means comes from an environment that has inhibited the individual from obtaining the knowledge, skill, and abilities required to enroll in and graduate from a school. “Economic factors” means comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price index, and adjusted by the Secretary, HHS, for use in health professions and nursing programs.

*Environmentally Disadvantaged* – the applicant's challenging environment is based on factors including, but not limited to, the following:

The individual graduated from (or last attended) a high school from which a low percentage of seniors receive a high school diploma;

The individual graduated from (or last attended) a high school at which, many of the enrolled students are eligible for free or reduced price lunches;

The individual comes from a family that receives public assistance (e.g., Temporary Assistance to Needy Families (TANF), food stamps, Medicaid, public housing);

The individual comes from a family that lives in an area that is designated under section 332 of the Public Health Service Act as a Health Professional Shortage Area or is designated as a Medically Underserved Area;

The individual participated in an academic enrichment program funded in whole or in part by the Health Careers Opportunity Program, authorized by section 739 of the Public Health Service Act;

The individual is a high school drop-out who received an AHS diploma or GED or has received or is receiving public assistance;

An individual who comes from a school district where 50% or less of graduates go to college or where college education is not encouraged;

An individual who is the first generation to attend college or is on public assistance;

An individual who has a diagnosed physical or mental impairment that substantially limits the person's participation in educational experiences and opportunities offered by the college;

An individual for whom English is not his/her primary language and must take a Test of English as Foreign Language (TOEFL) before entering health professions/nursing school; or

An individual who was accepted to the program after academic reassessment at the completion of remedial courses.

**Lender** – The commercial or Government institution that initially made the qualifying loan (e.g., Department of Education).

**Qualifying Educational Loans** – Qualifying educational loans are Government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the undergraduate or graduate education of the participant. Such loans must have been incurred prior to the application deadline, and there must be documentation to support that the loans were contemporaneous with the education received. Participants will receive funds for repayment of qualifying educational loans that are still owed. If the applicant has consolidated otherwise qualifying educational loans with any other debt or consolidated his/her loans with loans of another individual, the consolidated loan is ineligible. Residency relocation loans are not eligible.

**Reasonable Educational Expenses** – Reasonable educational expenses are the costs of education, exclusive of tuition, such as fees, books, supplies, clinical travel, educational equipment and materials, which do not exceed the school's estimated standard student budget for educational expenses for the participant's degree program and for the year(s) of that participant's enrollment.

**Reasonable Living Expenses** – Reasonable living expenses are the costs of room and board, transportation and commuting costs, and other costs which do not exceed the school's estimated standard student budget for living expenses at that school for the participant's degree program and for the year(s) of that participant's enrollment.

**State** – As used in this *Guidance*, State includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, Territory of American Samoa, Territory of Guam, Republic of Palau, Republic of the Marshall Islands, and Federated States of Micronesia.

**Suspension** – A suspension of the service or payment obligation may be granted if the individual has a temporary physical or mental health condition that temporarily prevents the individual from fulfilling the obligation (e.g., surgery and chemotherapy, motor vehicle accident).

**Waiver** – A waiver of the service or payment obligation may be granted if the individual has a permanent physical or mental health condition that permanently prevents the individual from fulfilling the obligation (e.g., terminal illness).