

**Health Education Assistance Loan (HEAL) Program
Regulations and OMB Numbers:**

<u>Footnote Number</u>	<u>Title of Form/Electronic Submission</u>	<u>OMB Approval No.</u>
<u>1/</u>	Lender's Application for Contract of Federal Loan Insurance, Borrower Loan Status Updates, Loan Purchases & Consolidation, Borrower Deferment Form	0915-0034
<u>2/</u>	Lender's Application for Insurance Claim, Pre-claims Assistance	0915-0036
<u>3/</u>	Repayment Schedule, Call Report	0915-0043
<u>4/</u>	Physician's Certification of Borrower's Total and Permanent Disability Form	0915-0204

Subpart C: The Loan/Lender

42 CFR 60.11(e) Notification - The borrower must contact the holder of the loan at least 30 and not more than 60 days before the commencement of the repayment period to establish the precise terms of repayment. 3/

42 CFR 60.11(f)(5) Notification - The lender or holder will notify the borrower of the terms of a supplemental repayment agreement. 3/

42 CFR 60.12(c)(1) Notification - A borrower must provide the lender or holder with the information the lender or holder needs to enable the lender to determine whether the borrower qualifies for deferment. 1/

Subpart D: The Lender

42 CFR 60.31(a) Reporting - Requires that to be a HEAL lender or holder an eligible organization must submit an application to the Secretary annually. 1/

42 CFR 60.34(b)(1) Notification - The lender or holder must contact the borrower in writing to establish the terms of repayment at least 30 and not more than 60 days before the commencement of the repayment period. 3/

42 CFR 60.35(a)(2) Reporting - The lender or holder must submit all of its skip tracing activities when requesting pre-claim assistance or when filing a default claim for HEAL insurance. 2/

42 CFR 60.35(b) Notification - The lender or holder must request pre-claims assistance from the Secretary when a borrower is 90 days delinquent. 2/

42 CFR 60.38(a) Reporting - Within 30 days of the assignment of the HEAL loan from one lender or holder to another, the buyer must notify the Secretary. 1/

42 CFR 60.39(b)(2) Reporting - The holder of the loan must request that the Secretary determine whether the borrower has become permanently and totally disabled and must submit any medical evidence obtained from the borrower or the borrower's representative. 4/

42 CFR 60.40(a) Reporting - The lender or holder must file an insurance claim on a form approved by the Secretary and attach to the default claim all documentation necessary to litigate a default, including any documents required to be submitted by the Federal Claims Collection Standards (4 CFR parts 101-105), and which the Secretary may require. 2/

42 CFR 60.40(c)(1)(I) Reporting - The lender or holder must file a default claim with the Secretary within 30 days after the loan has been determined to be in default. 2/

42 CFR 60.40(c)(1)(ii) Reporting - If a lender files suit against a defaulted borrower and does not pursue collection of the judgment obtained as a result of the suit, it must file a default claim with the Secretary within 60 days of the date of issuance of the judgment. If a lender or holder files suit against a defaulted borrower, and pursues collection of the judgment obtained as a result of the suit, these collection activities must begin within 60 days of the date of issuance of the judgment. If the lender or holder is unable to collect the full amount of principal and interest owed, a claim must be filed within 30 days of completion of the post-judgment collection activities. In either case, the lender or holder must assign the judgment to the Secretary as part of the default claim. 2/

42 CFR 60.40(c)(1)(iii) Reporting - The lender or holder must submit with its default claim a repayment schedule, a collection history, a final demand letter, all correspondence relevant to the amount owed by the borrower, a claims collection litigation report, and if a defaulted borrower filed for bankruptcy, all documents sent to or received from the bankruptcy court, including evidence which shows the period of the bankruptcy proceedings. 2/

42 CFR 60.40(c)(2) Reporting - The lender or holder must file a death claim with the Secretary within 30 days after the lender or holder obtains documentation that a borrower is dead, and the lender or holder must submit with its death claim, in addition to the documents required for all claims, those documents which verify the death, including an official copy of the Death Certificate. 2/

42 CFR 60.40(c)(3) Reporting - The lender or holder must file a disability claim with the Secretary within 30 days after it has been notified that the Secretary has determined a borrower to be totally and permanently disabled. 2/

42 CFR 60.40(c)(3) Reporting - The lender or holder must submit, in addition to the documentation required for all claims, with each disability claim evidence of the Secretary's determination that the borrower is totally and permanently disabled. 2/

42 CFR 60.40(c)(4) Reporting - The lender or holder must file a bankruptcy claim with the Secretary within 10 days of the initial date of receipt of court notice or written notice from the borrower's attorney that the borrower has filed for bankruptcy under chapter 11 or 13, or has filed a complaint to determine the discharge ability of the HEAL loan under chapter 7. 2/