

National Health Service Corps
Scholarship Application Bulletin

DISCRIMINATION PROHIBITED

Title VI of the Civil Rights Act of 1964 states: A No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination, under any program or activity receiving Federal financial assistance.@

Title IX of the Education Amendments of 1972 and its implementing regulations (45 Code of Federal Regulations Part 86) provide that no person in the United States shall, based on his/her sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any educational program or activity receiving Federal financial assistance.

Section 504 of the Rehabilitation Act of 1973, as amended, provides that no otherwise qualified handicapped individual in the United States shall, solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

NOTICE

PLEASE KEEP THIS BULLETIN

Applicants selected to participate in the National Health Service Corps Scholarship Program should retain this Applicant Information Bulletin as a reference guide to the scholarship award.

The *Applicant Information Bulletin* describes the National Health Service Corps Scholarship Program authorized by Sections 331 through 338A and 338C through 338H of the Public Health Service Act (42 U.S. Code 254d-l and 254m-q), as amended by Public Law 101-251 on October 26, 2002, and implemented by Federal Regulations (Title 42 Code of Federal Regulations, Parts 23 and 62) and administrative guidelines in effect as of December 2007. Future changes in the governing statute, the implementing regulations, and Program guidelines may also be applicable to your participation in this Program. The National Health Service Corps Scholarship Program is listed as number 93.288 in the *Catalog of Federal Domestic Assistance*.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Health Resources and Services Administration
Bureau of Clinician Recruitment and Service

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM

ACADEMIC YEAR 2008-2009

**FOR STUDENTS IN TRAINING TO BE ALLOPATHIC AND
OSTEOPATHIC
PHYSICIANS, DENTISTS, CERTIFIED NURSE-MIDWIVES,
CERTIFIED FAMILY NURSE PRACTITIONERS, PHYSICIAN
ASSISTANTS**

- I. APPLICANT INFORMATION BULLETIN**
- II. GLOSSARY OF TERMS**
- III. SUMMARY OF IMPORTANT DEADLINES**
- IV. VERIFICATION OF ACCEPTANCE AND GOOD STANDING
REPORTS (For School Use Only)**
- V. AUTHORIZATION TO RELEASE INFORMATION**
- VI. NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP
PROGRAM CONTRACT**

DECEMBER 2007

**Health Resources and Services Administration
Bureau of Clinician Recruitment and Service
Division of Application and Awards
5600 Fishers Lane, Room 8A-55
Rockville, Maryland 20857**

**For inquiries specific to the application process for the National Health Service
Corps (NHSC) Scholarship Program, call or write:**

**Division of Application and Awards
NHSC Scholarship Program
c/o Discovery Logic
1375 Piccard Drive, Suite 325
Rockville, Maryland 20850
1-800-638-0824
Email Address: nhsc@discoverylogic.com**

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BUREAU OF CLINICIAN RECRUITMENT AND SERVICE

MISSION: The mission of the Bureau of Clinician Recruitment and Service is to improve the health of the Nation's underserved communities and vulnerable populations by coordinating the recruitment and retention of caring health professionals in the healthcare system and supporting communities' efforts to build more integrated and sustainable systems of care.

INTRODUCTION

Program Purpose

The United States Congress has charged the National Health Service Corps (NHSC) with the responsibility for alleviating the geographic maldistribution of primary care physicians and other health practitioners in the United States.

The NHSC Scholarship Program is mandated by Congress to supply the NHSC with health care professionals trained in those disciplines and specialties most needed to deliver quality primary health care services in health professional shortage areas (HPSAs) throughout the United States as designated by the Secretary.

The NHSC Scholarship Program is not a general financial assistance program for students of health-related disciplines; rather, it provides the NHSC with the committed health professionals it needs to carry out its mission of providing primary health care to HPSA populations in areas of greatest need.

National Health Service Corps Scholarship Program Profile

The National Health Service Corps (NHSC) Scholarship Program is a competitive Federal program that awards scholarships to students pursuing primary care health professions training in return for a service commitment.

The scholarship consists of payment for tuition, fees, other reasonable educational costs, and a monthly support stipend. In return, the students agree to provide 1 year of service in the HPSA of greatest need to which they are assigned for each school year or partial school year of scholarship support received, with a minimum 2-year service commitment, maximum 4-year commitment.

For the 2008-2009 academic year, scholarships will be available for students pursuing primary health care training leading to a degree in allopathic medicine, osteopathic medicine, or dentistry, and education leading to a degree as a family nurse practitioner, nurse-midwife or physician assistant.

The scholarship recipient's service commitment will be fulfilled as a non-Federal employee, as a commissioned officer of the Regular or Reserve Corps of the U.S. Public Health Service (PHS), or as a civilian employee of the U.S. Government. It should be noted that approximately 92% of scholars fulfill their commitments as non-Federal employees of public or private entities such as community and migrant health centers, State or local health departments, and other non-Federal entities. The remaining 8% of scholars serve as Federal employees at HPSA sites served by the Indian Health Service, the Department of Justice's Federal Bureau of Prisons, or

NHSC scholarship recipients are required to fulfill their NHSC service commitment at HPSA locations selected by the NHSC, anywhere in the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Territory of Guam, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, the Territory of American Samoa, the Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia.

the Department of Homeland Security's Immigration and Customs Enforcement.

Students uncertain of their commitment to primary health care practice

in HPSAs throughout the United States or who are unable to relocate based on the needs of the NHSC are advised not to participate in this program. Medical students (osteopathic and allopathic) unsure about their future specialty interests are advised not to apply for the NHSC scholarship.

Health Professional Shortage Areas (HPSAs)

A HPSA is a geographic area, a facility, or a population group, which has been determined by the Secretary of Health and Human Services to have a shortage of health professionals. HPSAs are identified on the basis of agency or individual requests for designation. Information considered when designating a primary care HPSA includes health practitioner-to-population ratios, rates of poverty, and access to available primary health services. **Service commitments to the NHSC may be satisfied only in those HPSAs with the greatest need at the time of assignment, as determined by the Bureau of Clinician Recruitment and Service (BCRS).**

Program Administration

The Bureau of Clinician Recruitment and Service (BCRS), Health Resources and Services Administration (HRSA), administers the Scholarship Program. The Division of Application and Awards (DAA) awards the scholarships. The Division of Scholar and Clinician Support (DSCS) monitors scholars while in school and in deferment for advanced training, assists scholars in securing employment at one of the eligible sites at the completion of their training, reviews and approves or denies requests for service transfers, and monitors scholars' service until they have completed their service commitment. In addition, the Division of Site and Clinician Recruitment (DSCR) identifies appropriate service sites. The Legal and Compliance Office reviews scholar and clinician compliance, handles default determinations, and reviews requests for suspensions and waivers.

APPLICANT ELIGIBILITY

Applicants must meet the following requirements in order to be eligible for scholarship awards.

U.S. Citizenship

Scholarship applicants must be citizens or nationals of the United States to receive NHSC scholarship awards. Applicants who were born outside of the United States must submit documentation to verify U.S. citizenship or nationality (see Instructions for Completing Application, Section A, Item 6.).

Full-time Enrollment in Fully Accredited Schools and Programs (Note: Program must be fully accredited by April 2008).

To be considered for a scholarship award for the 2008-2009 academic year, applicants must be enrolled or accepted for enrollment as full-time students, and begin classes on or before September 30, 2008. The NHSC Scholarship Program considers the schools and programs accredited if students/graduates are eligible to take the national certification/licensure examinations (as required by the NHSC) which lead to licensure in the profession for which the applicant is applying for scholarship support. **Please be advised that any non-required or unrelated courses will not count toward the schools required hours in determining full-time status.** The following is a listing of acceptable schools/programs:

- (1) A school of *allopathic medicine or osteopathic medicine*, pursuing the M.D. or D.O. degree, accredited by the Liaison Committee on Medical Education

(sponsored by the American Medical Association and the Association of American Medical Colleges) or the American Osteopathic Association, Commission on Osteopathic College Accreditation.

- (2) A school of *dentistry*, pursuing the D.D.S. or D.M.D. degree, accredited by the American Dental Association, Commission on Dental Accreditation.
- (3) A school or program of **family nurse practitioner (FNP) education** pursuing a master=s degree, or post-master=s certificate, accredited by the National League for Nursing Accrediting Commission or the Commission on Collegiate Nursing Education, and leading to national certification as a family nurse practitioner by either the American Nurses Credentialing Center or the American Academy of Nurse Practitioners.
- (4) A school or program of *nurse-midwifery (NM) education* pursuing a master=s degree, or post-master=s certificate, accredited by the American College of Nurse-Midwives, Division of Accreditation and leading to national certification by the American Midwifery Certification Board.

NURSING STUDENTS PLEASE NOTE: The NHSC Scholarship Program will not provide scholarship support for students who are enrolled in a nursing Bridge Program (e.g. RN-MSN, BSN-MSN, Direct Entry, Graduate Entry Prespecialty or Entry to Practice Programs) or who are pursuing a doctoral degree in nursing.

- (5) A school or program of primary care *physician assistant (PA) education* where the applicant will: 1) graduate from a full 4-year baccalaureate PA training program with a bachelor=s degree; or 2) graduate from a certificate, post-baccalaureate certificate, associate or master=s degree PA training program of at least 12 months, *and* demonstrate a broad background knowledge of the medical environment, practices, and procedures, e.g., as would be acquired by having, prior to enrollment in the PA training program, a) a bachelor=s degree in a health care occupation such as nursing, medical technology, or physical therapy, or b) 3 years of responsible and progressive health care experience as a medical corpsman, nursing assistant or medical technician.

Physician Assistant applicants pursuing an associate, master=s degree, or certificate but who do not have a bachelor=s degree in nursing, medical technology or physical therapy, must submit by March 28, 2008, a resume outlining related health care education and work experience (including periods of employment and number of hours worked per week).

The PA training program must be accredited by the Accreditation Review Commission on Education for the Physician Assistant and the affiliated school must be accredited by a U.S. Department of Education nationally recognized regional or State institutional accrediting agency. The PA training program must lead to national certification by the National Commission on Certification of Physician Assistants.

PLEASE NOTE: Students in the “pre-professional” phase (e.g., taking undergraduate course work as a prerequisite for admission to the PA training program) or in PA programs specializing in areas other than primary care (e.g., PA programs with a surgical or emergency room focus) ARE NOT eligible for NHSC scholarship funding.

ALL STUDENTS - PLEASE NOTE: The NHSC Scholarship Program WILL NOT provide scholarship support for any joint programs that provide dual degrees in the above-listed disciplines (e.g., a joint program leading to a dual FNP/CNM degree, etc).

ALL STUDENTS - PLEASE NOTE: As scholarship recipients are required to serve areas of greatest need throughout the country, each applicant is responsible for ensuring that his or her professional program and type of degree will lead to broad eligibility for licensure in multiple States.

Schools and Programs Must be Located in the U.S.

The schools and educational programs for which scholarship support is requested must be in a State, the District of Columbia, or the Commonwealth of Puerto Rico. ***Students attending schools outside of these geographic areas are not eligible for NHSC scholarships, even though they may be citizens of the United States.***

Eligibility for Federal Employment

Most NHSC Scholarship Program recipients should expect to serve their commitments as salaried non-Federal employees of public or private entities approved by the NHSC to receive a NHSC scholar. However, there may be vacancies which require Federal employment. In view of the potential for Federal employment, an applicant must be eligible to hold an appointment as a commissioned officer in the Regular or Reserve Corps of the PHS or be eligible for a Federal civil service appointment.

Submission of Authorization to Release Information Letter

To be eligible for an NHSC scholarship award, the applicant must complete, sign and return to the NHSC the Authorization to Release Information (**add link to form**). The Authorization to Release Information Letter is necessary for the NHSC Scholarship Program to receive enrollment information from the applicant's school.

Submission of Signed Contract

To be eligible for an NHSC scholarship, the statute requires that an applicant sign and submit a contract with the application. The contract is located in the back of this *Bulletin*.

The contract is for the 2008-2009 school year with optional contracts for up to 3 subsequent school years, not to exceed a total of 4 school years of NHSC scholarship support. The 2008-2009 contract, if countersigned by the Secretary or designee, obligates the applicant to the minimum 2-year service commitment. Therefore, applicants are strongly encouraged to sign the 2008-2009 contract and an optional contract for the 2009-2010 school year, if the applicant will need additional support for all or part of the subsequent school year (2009-2010). The contract **must** be signed through the student's date of graduation in order for the student to receive support through the date of graduation. **Before an applicant decides not to request scholarship support through his/her graduation date, the applicant should read the AContinuing Support after the 2008-2009 School Year@ section of this *Bulletin*. (INSERT LINK)**

Free of Federal Judgment Liens

Applicants who have a court judgment entered against them for a debt owed to the United States which creates a lien against their property are precluded from receiving Federal funds (including an NHSC Scholarship Program award), until the judgment lien has been paid in full or otherwise satisfied. A State court judgment relating to a Federal debt will also disqualify an applicant. The Application for Participation includes a certification that the applicant is free of such a judgment lien against his/her property (**insert link to form**).

Delinquency on a Federal Debt (This section is under review with

OGC)

The application includes a certification that the applicant is not delinquent on repayment of any Federal debt. A Federal debt includes debts arising from Federal taxes, Federal loans, federally guaranteed or insured loans such as student or home mortgage loans, an overpayment of Federal benefits and any other debt owed to the Federal Government. An applicant is considered delinquent on a Federal debt if he or she has ever been more than 90 days past due on a scheduled payment. Delinquent applicants will not be selected for scholarships regardless of circumstances.

No Conflicting Service Commitments

Applicants who are already obligated to a Federal, State, or other entity for professional practice or service after academic training are not eligible for NHSC scholarship awards. An exception may be made if the obligating entity provides documentation that there is no conflict in fulfilling the service commitment to the NHSC Scholarship Program and that the NHSC Scholarship Program service commitment will be served first.

A scholarship recipient who meets the above exception should not expect to be assigned for service in a State, community, or medical facility to which the recipient already owes a commitment for service. The national staffing needs of the NHSC preclude any such advance placement commitments to NHSC Scholarship Program recipients.

Scholarship recipients, except military reservists, who subsequently enter other service commitments, or who otherwise are not immediately available after completion of their degrees or authorized deferments to fulfill their scholarship service commitments, will be subject to the breach-of-contract provisions described later in this *Bulletin*.

Members of a Reserve Component of the Armed Forces

Individuals in the Reserve component of the Armed Forces or National Guard are eligible to participate in the NHSC Scholarship Program. However, reservists should understand the following:

First, the placement opportunities for reservists may be limited by the NHSC, in order to minimize the negative impact that a deployment would have on continuity of patient care for the vulnerable populations served by the NHSC. For example, the NHSC would not approve placement of a reservist as the sole provider at a clinic that would be forced to close if the reservist were deployed.

Second, military training or service performed by reservists will not satisfy the NHSC service commitment. If a participant's military training and/or service, in combination with the participant's other absences from the NHSC service site, exceed 7 weeks (49 calendar days) per service year, the NHSC service commitment end date will be extended to compensate for the break in NHSC service. See discussion of AFull-Time Clinical Practice@ located under the Fulfilling the Service Commitment section of this Bulletin.

Third, if the site where the reservist was serving at the time of his/her deployment is unable to re-employ that reservist, the NHSC will reassign the participant to another service site to complete his/her remaining NHSC service commitment. In some cases, a participant may be asked to sign an employment contract that extends beyond the completion date of his/her NHSC service commitment.

SUBMITTING THE APPLICATION

In order to be eligible for an NHSC scholarship award, the documentation mentioned below must be received in the office of the NHSC by the following deadlines. **No extensions on the following deadlines will be granted.**

\$ Application with Supporting Documents

The deadline for submitting the NHSC Scholarship on-line Application and **all** supporting documents for participation is **March 28, 2008**.

Please be advised beginning this year all applications must be submitted on-line and that all supporting documents ([insert link to Check List](#)) must be submitted via hard copy. Supporting documents received after the above deadline MUST be postmarked by the application deadline date to be accepted.

\$ Verification of Acceptance/Verification of Good Standing

The deadline for submitting the verification of acceptance/verification of good standing report or letter is:

C March 28, 2008, for allopathic, osteopathic and dental students; and

C May 2, 2008, for family nurse practitioner, nurse-midwife, and physician assistant students.

\$ Authorization to Release Information Letter

The deadline for submitting the Authorization to Release Information Letter is **March 28, 2008**, for all NHSC scholarship applicants.

Applicants are encouraged to submit their applications as early as possible. Early submission allows the program to review applications and send out electronic notification identifying any missing documents. The notification provides the applicant the opportunity to submit any missing documents and/or make any necessary corrections to his or her file, prior to the applicable deadlines.

Verification of Acceptance/Verification of Good Standing

No applicant will receive an award until he or she is enrolled or accepted for full-time enrollment in a fully accredited program during the 2008-2009 school year (applicant must begin classes on or before September 30, 2008). Within the established deadlines set forth above, each applicant is required to submit a report or letter from the program verifying his or her acceptance or good standing. Applicants are encouraged to use the Verification of Acceptance Report or the Verification of Good Standing Report (**Insert Link to Form**). The verification reports **must bear the training institution=s raised seal**. If a letter is submitted in lieu of the reports, the letter must be on the school=s letterhead, bear the training institution=s seal, and address each of the 10 items outlined , under AGeneral Directions@ paragraph 2 AVerification of Acceptance/Verification of Good Standing@ (**Make this an electronic Link**) of this *Bulletin*.

Applicants who have not been accepted for enrollment at the time of submitting the application must indicate on the application only one school or program they anticipate attending, and the verification of acceptance letter or report must be received by the established deadlines listed above.

ONCE THE APPLICATION DEADLINE HAS PASSED, NO CHANGES WILL BE ACCEPTED IN THE APPLICANT=S CHOICE OF SCHOOL OR DISCIPLINE PRIOR TO AWARD.

If the verification of acceptance/verification of good standing report states that there are conditions (not yet fulfilled) for acceptance into the school and/or program, other than standard contingencies that apply to all admitted applicants, applicants will not be eligible for consideration for an award for the 2008-2009 school year, unless all contingencies or conditions for acceptance are removed in writing by the school prior to the applicable deadline for enrollment verification.

All documentation must be received in our office by the applicable deadline. FAXES OR PHOTOCOPIES ARE NOT ACCEPTABLE.

Transcript - New Requirement

Each applicant must include a transcript from his/her last complete year of academic training. If the applicant is currently enrolled in the program he/she applicant is seeking a scholarship for, a transcript must be provided that includes the last complete semester or term.

Academic Reference - New Requirement

Applicants are required to submit one academic reference. If the applicant is currently enrolled in the health professions training program, then the reference should be from the Dean of that academic program. If the applicant has not begun the training associated with the scholarship, the reference (i.e., dean, academic advisor) should be from the applicant's most recent academic program. The reference should focus on why the applicant is a good fit for the National Health Service Corps.

Using Current Application Packet

Students who have submitted applications to the NHSC Scholarship Program in

past years, and who did not receive or accept an award, must complete a new application and compete with all other applicants. Prior year applications will not be considered.

SELECTION CRITERIA AND FUNDING PRIORITIES

The NHSC Scholarship Program for the 2008-2009 school year is very competitive; the Program anticipates more applicants for scholarship awards than available funds. Students are advised to apply for other funding sources also, due to the competitiveness of the NHSC Scholarship Program.

This section describes the factors that will be considered in approving applications for participation in the NHSC Scholarship Program.

Selection Criteria

The NHSC Scholarship Program will consider well-prepared applicants who demonstrate a commitment to serve, geographic flexibility and a strong interest in providing primary health care to the underserved populations nationally, based on information provided in the application. Please remember that all applicants who demonstrate a high potential for providing quality primary health care may not receive a scholarship award due to limited funding.

Applicants who do not demonstrate a high potential for providing primary health care in designated shortage areas will not be selected for a scholarship award.

Funding Priorities for the 2008-2009 Academic Year

Applications that demonstrate the individuals' high potential for providing primary health care services in federally designated shortage areas will be competitively evaluated and scored. The following statutory priorities for funding will be applied:

FIRST PRIORITY

A. Former NHSC Scholarship Recipients

Former NHSC Scholarship Program recipients whom are seeking support for the 2008-2009 academic year, or through their date of graduation;

B. Recipients of Federal Scholarship Program for Students of Exceptional Financial Need (EFN) (Medical Students Only)

Applicants who have received a Scholarship for Students of Exceptional Financial Need under former section 758 of the PHS Act (42 U.S.C. 294z) qualify for a funding priority. Applicants claiming EFN status must submit by **March 30, 2008**, written documentation from their school's financial aid official of former participation in the EFN Program.

SECOND PRIORITY

Applicants with HPSA Retention Characteristics

Applications will be scored numerically based on the extent to which the applicants appear to have characteristics that increase the probability they will continue to practice in HPSAs after they have completed their service commitments. These characteristics include:

- (a) Strong primary care post-service career goals in HPSAs;
- (b) Experience with underserved communities;
- (c) Understanding of the mission of the NHSC;
- (d) Experience in primary care and

THIRD PRIORITY

Applicants From Disadvantaged Backgrounds

Applicants who have the HPSA retention characteristics and who also are certified as having come from Adisadvantaged backgrounds@ will be selected for awards before those who are not certified as disadvantaged.

- (a) *For Medical and Dental Students:* Applicants= schools must certify that the applicants participated in, or would have been eligible for participation in, Federal programs such as AScholarships for Disadvantaged Students@ and ALoans to Disadvantaged Students.@
- (b) *For Family Nurse Practitioners, Nurse Midwifery, and Physician Assistant Students:* Their schools must certify that the applicants participated in, or would have been eligible for participation in, Federal programs such as AScholarships for Disadvantaged Students” or the benefits of the “Nursing Workforce Diversity Grants.”

Applicants who wish to claim Adisadvantaged background@ should submit with their applications a written statement from the student financial aid administrator certifying their participation in, or eligibility for participation in, a qualifying Federal program.

For information about programs for disadvantaged students, visit the website <http://www.bhpr.hrsa.gov/dsa/weblinks>.

Notification of Selection/Acceptance of Award

Individuals selected for awards will be notified by letter, as early as June 15, 2008 and no later than September 30, 2008. Enclosed with the notification letter, will be a codicil to the contract that outlines the maximum amount of the value of the scholarship award. To accept the award, the selectees must sign the enclosed contract codicil and return it to the National Health Service Corps Scholarship Program by the deadline in the award letter. If the contract codicil is not signed and returned to the NHSC Scholarship Program by the deadline date in the notice of award letter, the offer of award expires and the award will be offered to an alternate.

Individuals selected for an award must attend classes during the 2008-2009 school year and class attendance must begin on or before September 30, 2008. Individuals whose class attendance during the 2008-2009 school year will begin after September 30, 2008, MUST decline the award. Please note that the ranking of selectees will not be disclosed.

Notification of Alternate Status

Individuals selected as alternates will be notified by letter, as early as June 30, 2008, and no later than September 30, 2008. Alternates will be notified of selection for an award as selectees decline their awards. **Please note that the ranking of alternates will not be disclosed.**

Notification of Non-Selection

Individuals whose application and interview scores did not fall within the

competitive range to be considered as an NHSC scholarship selectee or alternate will be notified no later than September 30, 2008.

New Scholars Conference

Individuals awarded the NHSC scholarship will be expected to attend the "Enhancing Your Scholarship Today: Maximizing Your Service Tomorrow" Conference planned for Fall 2008 (specific date and location to be determined).

Declining Scholarship Support

Selectees may decline awards without penalty (permitting the promotion of alternates to selectee status) by:

- 1) failing to submit the signed contract codicil to the NHSC Scholarship Program by the deadline date specified in the notice of award.
- 2) mailing or faxing a signed letter declining the award offer, with the reason for declination, to the NHSC Scholarship Program by the deadline date specified in the notice of award letter. Telephone declinations will not be accepted.

Once a selectee declines the offer of award, the award will be offered to an alternate. **There will be no opportunity to reclaim the award. A decision to decline the scholarship award is final and cannot be changed under any circumstances.**

SCHOLARSHIP BENEFITS

New NHSC Scholarship Program contract awards, including new contracts for previous NHSC scholars, depend on the availability of funds appropriated by the Congress of the United States and approved by the President for fiscal year 2008.

Awards Limited to 4 School Years

Scholarship awards will be granted for no more than 4 school years, which includes any partial school year of funding received during the school year. All awards to students (including students in Family Nurse Practitioner, Nurse Midwifery, and Physician Assistant Programs) are based on a 1-year, 12-month period. The school year is defined as July 1 through the following June 30 during which an applicant is enrolled in a school as a full-time student. Students may not receive full funding for each school year of their program, to the extent their course work does not coincide with the NHSC Scholarship Program's definition of school year. (For more information, see section "Graduating Off-Cycle," ***(Make Graduating Off-Cycle a link)***).

Commencement and End of Scholarship Support

Participation in the NHSC Scholarship Program becomes effective when the designee of the Secretary of Health and Human Services signs the applicant's contract.

New applicants must be able to financially support themselves until the first week of November. The first scholarship stipend payments should be by the 7th of November.

The end of scholarship support will be the date that the scholar completes the required classes for graduation or June 30, whichever comes first. The NHSC Scholarship Program cannot make payment to scholars when they are not enrolled or attending classes on a full-time basis.

Distance Learning Programs

Individuals who are participating in distance learning programs are advised that they may not receive full funding for each year of their program, to the extent that their course work does not coincide with the NHSC Scholarship Program=s definition of school year (running from July 1 through June 30.) Also, the NHSC Scholarship Program will not pay for any penalty or additional distance learning fees that are incurred for not completing the course load in the required time frame.

Payment of Tuition & Required Fees

The NHSC Scholarship Program will pay tuition and required fees directly to the school, subject to limitations set forth below.

Scholarship awards are based on full-time attendance at the original school of record. Full-time is defined as enrolled for a sufficient number of credit hours in any academic term to complete the course of study within the number of academic terms normally required at the school.

The NHSC Scholarship Program will not cover tuition and fees for summer school sessions in addition to the other terms in a school year that are not normally required by the school.

The NHSC Scholarship Program will not pay for any increased tuition rates or required fees for the 2008-2009 school year that may be reported by the school after (Date). Subsequent school years will be capped at the original year, plus an inflation factor. Should tuition exceed this amount, increases will depend on the availability of appropriated funds. The program will not pay tuition and fees for any portion of a school term prior to July 1, 2008.

Should a participant be taking classes at more than one school, please be advised that the NHSC Scholarship Program cannot make payment to more than one school.

Changes in school or program are strongly discouraged once an applicant has been accepted into the National Health Service Corps. Changes in school or program must be approved in advance and will be considered on a case-by-case basis. Changes in discipline are not permitted.

The NHSC Scholarship Program will not pay for tuition costs unrelated to the degree program, penalty fees for over extension of a distance learning program, or for membership dues for student societies, associations, loan processing fees, and similar expenses.

The NHSC Scholarship Program will pay ONLY for courses that are required for graduation. Elective courses, which are not a requirement for graduation, are not eligible for payment.

Please be advised that under the Debt Collection Improvement Act of 1996, all Federal payments must be processed through Electronic Funds Transfer/Direct Deposit. Therefore, all educational institutions must have an electronic funds transfer account with our Division of Financial Operations (DFO) in order for tuition and fee payments to be made in a timely manner.

Upon receipt of an invoice for the tuition and fees required of all students, any fees on the invoice that were included in Other Reasonable Cost will not be

approved for payment, as those funds are provided separately and paid directly to the scholar.

If an applicant is unsure of what is covered by the NHSC scholarship, please contact the NHSC Scholarship Program in writing or email for further clarification.

Receipt of an NHSC scholarship award does not automatically preclude a participant from receiving funds from other programs, as long as no service commitment is involved. However, many student assistance programs are based on the student's financial need, or may be limited to the payment of expenses already paid by the NHSC Scholarship Program. The list of NHSC Scholarship Program recipients supplied to the schools will enable the school officials to reevaluate the financial need or eligibility of these individuals for funds under other aid programs. When continuation of financial assistance is not warranted, the school is required to reduce or terminate payments. Applicants should contact their financial aid officers to determine how the receipt of an NHSC scholarship may affect them. Tuition and fees already paid by another program should not be submitted to the NHSC for payment unless reimbursement will be made to the funding source.

Other Reasonable Costs (ORC)

The NHSC Scholarship Program will make ORC payments to cover expenses for required books, clinical supplies, laboratory expenses, instruments, two sets of uniforms, graduation fees (if applicable), computer/PDA rental or purchase (only if required of all students) and travel expenses for one clinical rotation. For new awardees, the ORC will be paid with the first stipend payment (received by the first week of November). The ORC payment covers the school year and the student must budget funds received accordingly.

The payment made to the scholarship recipient may or may not meet the total expenses required by the school.

Individual vouchers or receipts for expenses will not be honored.

Stipend Amount

During the 2008-2009 academic year, the NHSC Scholarship Program will pay a quarterly stipend based on a monthly stipend amount of **(EMMET NEEDS TO PROVIDE) (before Federal taxes)** directly to each recipient. The first payment for new awardees will include the stipends retroactive to July 1 and the payment for Other Reasonable Costs.

Receipt of the monthly stipend payment does not mean that the student is employed by the Federal Government or participates in any of the benefits available to Federal employees.

Method of Payment

DIRECT DEPOSIT IS MANDATORY. All stipend and Other Reasonable Cost payments are paid directly to the student's financial institution through direct deposit. Information about how to obtain the Direct Deposit form (Standard Form 1199A is available at (INSERT LINK). Any change in financial institution or account information will require submission of a new Direct Deposit form.

Do not close the old account until the first payment in the new account is received to ensure that there is no delay in payment.

Taxation of the NHSC Scholarship

ONLY THE STIPEND PAYMENTS made to scholars under the NHSC scholarship are taxable.

Information on how to obtain an Internal Revenue Service (IRS) Form W-4 is available at **(INSERT LINK) and must be submitted with the supplemental documents**. The information provided on the W-4 form will be used to determine withholding of Federal taxes on the stipend portion of the scholarship. Students who want additional funds deducted from the stipend amount should indicate the additional amount to be deducted on the appropriate line on the W-4 form. We advise students to consult their local tax authority regarding State or local taxes for which they may be liable, as State and local income taxes will not be withheld. **It is the responsibility of the scholarship recipient to arrange for the payment of any additional Federal, State, and local taxes that may be owed.**

Treasury Offset Program

Under the Treasury Offset Program, the Treasury Department is authorized to offset a student's NHSC scholarship payments if the student becomes delinquent on a Federal debt after entering the NHSC Scholarship Program. In addition, the Treasury Department is authorized to offset NHSC scholarship payments for application to the student's State debts, including delinquent child support payments.

Child Support Obligation

In keeping with the President's Executive Orders concerning compliance with child support orders, the NHSC Scholarship Program is stressing the importance of honoring any child support obligation an applicant may have.

Discontinuation of Benefits

The NHSC Scholarship Program will discontinue the payment of all benefits under the following circumstances:

- (1) while the recipient is on a leave of absence (for personal or medical reasons) which has been approved by the school. If you are a new awardee and you plan to take a leave of absence prior to the start of classes for the 2008-2009 school year and you will not begin attending classes on or before September 30, 2008, you must decline the award and reapply next year;
- (2) while the recipient is repeating course work which delays the recipient's graduation date. The NHSC Scholarship Program will pay tuition only for courses taken the first time. (This does not include courses taken prior to the receipt of the NHSC award.) If a student repeats a course which is taken in addition to a standard full-time course load and the repeat course work does not delay the graduation date, payment of the monthly stipend will continue, but the NHSC Scholarship Program will not pay for the course work being repeated;
- (3) while the recipient is enrolled in school as a less than full-time student; and
- (4) if the recipient withdraws or is dismissed from school. Moreover, the recipients' withdrawal or dismissal from school is a breach of the scholarship contract, and the recipient will be liable to repay the amount described in the *AFailure to Complete Academic Training@* section of this *Bulletin*.

A recipient is required to notify the NHSC Scholarship Program immediately, in writing, whenever any of the following events are anticipated or expected: 1) an approved leave of absence; 2) repeat course work; 3) a decrease in credit hours in any academic term; and 4) withdrawal or dismissal from school. The NHSC

Scholarship Program needs to know in advance that the above events may occur, so that timely action can be taken to discontinue payments and avoid overpayments. The recipient must also submit a letter, to the NHSC Scholarship Program from the school verifying that one of these events has occurred. **Please be advised that if the NHSC Scholarship Program has any questions concerning a participant=s eligibility for continued support, the NHSC Scholarship Program may delay the payment of all benefits to that participant pending clarification of the participant=s eligibility status.**

Termination of Contract

The Secretary of Health and Human Services, may terminate an NHSC Scholarship Program Contract for a school year if the recipient, on or before June 1 of the school year: 1) submits a written request to terminate his or her contract for that school year **and** 2) repays all amounts paid to, or on behalf of that recipient for that school year. If a scholarship recipient does not meet these requirements, he or she will incur a service commitment for the full or partial year of support received, as set forth in the "Fulfilling the Service Commitment" section of this *Bulletin*.

Termination of Benefits

A scholar who begins receiving support under a school year contract and subsequently has that support discontinued for the remainder of the same school year (due to a leave of absence, repeat course work or less than full-time enrollment) may wish to submit a request to terminate that school year contract. The potential benefit of such a request is two-fold. First, the student would not incur a service obligation for that school year. Second, that school year would not count against the student's maximum 4 school year of support.

For example, a medical student signs a contract for 4 school years of scholarship support, through her/his date of graduation. During the third school year, this student goes on a leave of absence from October 1 through June 30, which postpones his graduation until the end of a fifth school year. The student does this by submitting a written request to terminate and repaying any scholarship support for that year by June 1 of the third school year. The Secretary will terminate her/his third year contract (eliminating his service obligation for the third school year of support and making her/him eligible to receive scholarship during her/his fifth school year, based on the availability of funds). If this medical student elects to retain the scholarship support received through October 1, she/he would owe a year of service for the partial third year of support received and would not be eligible for any scholarship support during her/his fifth school year.

Resumption of Benefits for Contracts that Have Not Been Terminated

To resume benefits under existing scholarship contracts (contracts that have not been terminated), the recipient must submit documentation from a school official confirming that he/she is: 1) enrolled as a full-time student in courses leading to the degree for which the scholarship was awarded; and 2) not repeating course work. Requests for the resumption of scholarship benefits will be considered on a case-by-case basis by the Associate Administrator, BCRS to determine the recipient=s eligibility to receive continuing funds. For recipients who have not repaid overpayments received, the resumption of scholarship benefits will be subject to the

administrative offset described in the below “Collection of Benefit Overpayments” section of this *Bulletin*. For recipients whose benefits were discontinued due to their withdrawal or dismissal from school, benefits will not be resumed. See “Failure to Complete Academic Training.” ([INSERT LINK](#))

Collection of Benefit Overpayments

Scholarship Program payment(s) received by a recipient, including payment(s) made to a school on the recipient=s behalf, during periods while the recipient is on an approved leave of absence, is repeating course work, or is enrolled as a part-time student, are overpayments. Overpayments may also occur due to administrative error. A participant receiving an overpayment should immediately telephone the NHSC Scholarship Program and follow-up in writing to make arrangements to promptly return all overpayment(s) to avoid interest accrual and debt collection procedures.

Debt collection procedures include sending delinquent overpayments to a debt collection agency, reporting the overpayments to credit reporting agencies, offsetting Federal income tax refunds to collect the overpayments, and referral of the overpayments to the Department of Justice for enforced collection. For recipients who receive subsequent funding under the NHSC Scholarship Program, the overpayments may be collected through administrative offset. The NHSC Scholarship Program may withhold scholarship funds payable to, or on behalf of, the recipient (including stipends, ORC, and, if necessary, tuition payments) until the overpayment owed is paid in full.

Effect on Veterans Benefits

Educational benefits from the Department of Veterans Affairs (G.I. Bill) continue along with NHSC funds, since these benefits were earned by prior active duty in a uniformed service.

Graduating Off-Cycle

All NHSC scholarship contracts are for a specific school year. Under the NHSC Scholarship Program, all school years run from July 1 through June 30. If, for example, a student is in a 24-month program that begins on August 3, 2008 and he/she signs contracts for 2 school years, the student will receive stipend, ORC and tuition payments through June 30, 2010. Funding for the extra months of the program beyond June 30, 2010 would require a request for a third year of scholarship funding and, if granted, obligates the recipient to 3 full years of service commitment. If a student is in a 24-month program that begins on May 3, 2008 and he/she signs contracts for 2 school years, the student will receive stipend, ORC and tuition payments from July 1, 2008 through June 30, 2010 or the month that the recipient completes the required classes for graduation, whichever comes first.

Continuing Support after the 2008-2009 School Year

The NHSC Scholarship Program award and contract will be for the 2008-2009 school year and additional school years (Optional Contracts) requested by the applicant and agreed to by the Secretary as indicated on the signed contracts. Support will be paid for the years agreed to in the contracts, provided the student is enrolled full-time in eligible academic courses leading to the degree for which he/she was funded and is not repeating course work.

If a student signs a contract for only 1 year of support (2008-2009 school year),

his/her scholarship support will be terminated as of June 30, 2009. Should this student decide that he/she would like additional scholarship support for the next school year (2009-2010) and any subsequent school years through graduation, the student must submit a report and/or letter verifying his/her good standing and a signed contract for that school year (and, if desired, Optional Contracts for subsequent school years through graduation -- up to the maximum of 4 school years of support). ***Please be advised that since all recipients incur a minimum 2-year service commitment, it may be in the best interest of the student to sign contracts for 2 years of support, if the student will need scholarship support for all or part of the 2009-2010 school year.*** The verification of good standing report/letter and the signed contract(s) must be received by the last Friday of March of the year in which support would be continued. For example, if a scholar wanted continued support for the 2009-2010 school year, the materials must be received by March 27, 2009.

The granting of continuation awards depends upon 1) the availability of funds for the NHSC Scholarship Program, 2) the current or former participant=s continued eligibility to participate in the NHSC Scholarship Program (i.e., the student must be enrolled full-time in academic courses leading to the degree for which he/she was funded and must not be repeating course work), and 3) the current or former participant=s compliance with policies and procedures established by the NHSC Scholarship Program for requesting continued support. If a continuation award is granted, the first payment may not be received until the 7th of November, but will include stipends retroactive to July 1, and the annual ORC payment.

DEFERMENTS FOR POST-DEGREE ADVANCED TRAINING

For physicians (M.D. and D.O.), the service commitment will begin upon completion of an accredited residency approved by the NHSC. For dentists (D.D.S. and D.M.D.), nurse midwives, family nurse practitioners and physician assistants, the service commitment will begin upon the completion of the degree program supported by the NHSC Scholarship Program or, if applicable, upon the completion of post-degree advanced training approved by the NHSC. Upon a written request from the scholar, the NHSC will grant a deferment of service to scholarship recipients to complete post-degree advanced training (including an internship or residency) **if the NHSC determines that the training is consistent with the needs of the NHSC to deliver primary health care services in HPSAs.**

Deferring Service for Postgraduate Medical or Dental Education (Residency)

During the final year of allopathic or osteopathic medical school or dental school, scholarship recipients will be sent a *Deferment Information Bulletin (DIB)* describing the policies and procedures for approving deferments and a *Deferment Request Form (DRF)* (**INSERT LINK**) to enable them to request approval from the DNHSC for their residency plans. The Division of Scholar and Clinician Support will review the DRF and return a copy to the scholarship recipient once the DRF has been approved. After graduation, the scholarship recipients with approved deferments will be expected to start their residency training on or about July 1. To the extent that the *DIB* subsequently received by the scholarship recipient may be inconsistent with this *Bulletin*, the *DIB* will take precedence.

For allopathic and osteopathic medical students entering the NHSC Scholarship Program in the 2008-2009 school year, the approved

specialties for which training deferments will be granted are:

- \$ family practice (3 years),
- \$ general internal medicine (3 years),
- \$ general pediatrics (3 years),
- \$ obstetrics-gynecology (4 years),
- \$ general psychiatry (4 years),
- \$ internal medicine/pediatrics (4 years),
- \$ internal medicine/family practice (4 years), and
- \$ rotating internship with a request to complete one of the above specialties (D.O. only)

Allopathic and osteopathic medical students MUST complete one of the NHSC-approved residencies set forth above prior to commencing service or be subject to the damages provision described later in this *Bulletin*.

Physicians are required to use their best efforts to obtain a slot in an approvable residency program by July 1 of their graduation year, either through the residency match process or outside the match process.

Allopathic and osteopathic medical students who are unsure about their future specialty interests or who are unable to commit themselves to complete specialty training in any of the approvable residencies specified above are advised not to apply for participation in the NHSC Scholarship Program.

For dental students entering the NHSC Scholarship Program in the 2008-2009 school year, the approved specialties for which training deferments may be granted are:

- \$ General Dentistry Residency up to 2 years
- \$ Advanced Education in General Dentistry 1 year
- \$ Pediatric Dentistry 2 years
- \$ Public Health Dentistry 2 years

Dental students are encouraged, but not required, to complete one of the NHSC-approved postgraduate clinical training programs set forth above prior to commencing service. **Dental students who wish to pursue specialty training other than the programs listed above are advised not to participate in the NHSC Scholarship Program.**

NOTE: When selecting a residency program, it is the responsibility of the scholarship recipients to research the residency programs to assure that the program selected will provide adequate training to enable the scholarship recipient to sit for the appropriate boards.

The NHSC will approve, on a case-by-case basis, consistent with the needs of the NHSC, requests submitted by clinicians in their last year of residency training, a single year of additional training in three specific fellowships:

1. A 1-year Child Psychiatry Fellowship which may follow the completion of residency training in Psychiatry;
2. A 1-year Obstetrics/Gynecology Fellowship which may follow the completion of residency training in Family Practice; and
3. A 1-year Geriatrics Fellowship which may follow the completion of residency training in Family Practice or General Internal Medicine.

Training for Which Deferments Are Not Granted

Deferments **will not be approved** by the NHSC for non-primary health care programs (e.g., emergency medicine, surgery, radiology, neurology, anesthesiology, ophthalmology, pathology) or programs which the NHSC determines are not consistent with the needs of the NHSC to provide primary health services in HPSAs.

Deferments **will not be approved** by the NHSC for postgraduate health professions education conducted by a branch of the Armed Forces of the United States. Participants in such programs incur military service obligations which conflict with the service commitment required under the NHSC Scholarship Program.

Deferments **will not be approved** by the NHSC for part-time residency training.

Deferments **will not be approved** by the NHSC for transitional residency training.

Please write to the NHSC if you have any questions about the service deferments the NHSC Scholarship Program will grant for postgraduate medical education.

No Scholarship Payments, Service Obligation or Service Credit

During residency and other advanced training, recipients **do not receive** NHSC Scholarship Program financial support nor do they incur additional NHSC Scholarship Program service commitments.

Periods of advanced training (including residencies) are not creditable toward satisfying the scholarship service commitment, even though the training may occur in a facility located in a HPSA.

Conditions of Deferment

The terms and conditions of deferment require participants:

- (1) to pursue training which is approved for deferment by the NHSC Scholarship Program and which does not incur a conflicting service commitment;
- (2) to complete and return the annual Deferment Request Form, or provide equivalent evidence of approvable training, by the deadline stated in the *Deferment Information Bulletin*;
- (3) to make no change in the type or period of training without prior written approval of the NHSC Scholarship Program; and
- (4) to notify the NHSC Scholarship Program in writing, within 30 days, of their new mailing address and/or any changes that affect their training status.

Scholarship recipients, who, after graduation, enter training that is not approved for deferment by the NHSC Scholarship Program, or who otherwise fail to comply with the published terms and conditions of deferment, will be subject to the damages provision described later in this *Bulletin*.

FULFILLING THE SERVICE COMMITMENT

NHSC Scholarship Program recipients incur **1 year of obligated service for each full or partial school year of support**. The minimum service commitment is 2 years; the maximum is 4 years.

Recipients are obligated to provide full-time clinical primary health care services in high need, high-priority HPSAs selected by the NHSC.

Beginning Date of Service Commitment

Participants who receive a deferment to complete NHSC-approved postgraduate advanced training are required to begin service as soon as possible upon expiration of the approved deferment period.

All **physicians** must complete a primary care residency and are expected to begin service upon completion of their approved deferment.

Dentists who elect to pursue an NHSC-approved residency are similarly expected to begin service upon completion of their approved deferment. Dentists who do not receive a deferment to complete post-degree advanced training must begin their service commitment as soon as possible after receipt of their dental degree.

Nurse midwives, family nurse practitioners and physician assistants must begin their service commitment as soon as possible after receipt of the degree for which they received support.

All scholarship recipients are expected to comply with the examination, certification and licensure requirements set forth in the "Licensure/Certification Required" section of this *Bulletin*.

The recipient and an authorized representative of the site negotiate a start date. Start dates for physicians will ordinarily not be later than 3 months from the date the physician completes approved postgraduate training. Start dates for other participants vary based upon the individual's graduation date or the timing of their certification/licensure examination.

Credit for service toward the NHSC scholarship commitment does not begin until: (1) the scholar passes required licensing or national certification exams; (2) the scholar obtains a license to practice in the State where the NHSC service site is located (unless he or she has a license in another State and will work for a Federal entity); (3) the scholar begins to provide full-time clinical services at the NHSC service site; and (4) if applicable, the appropriate agreement has been completed and signed by the scholar and the Secretary of Health and Human Services or designee.

Delaying Start of Service

Recipients with documented, extreme circumstances which jeopardize the start of service may make a request to the Legal and Compliance Office (LCO) to suspend their service commitments for up to **1 year**. Such requests must be in writing and include a detailed written explanation and supporting documentation, as required by the LCO. See the "Waiver, Suspension or Cancellation of the Commitment" section in this *Bulletin*.

Ending Date of Obligated Service

The last day of the service commitment is determined in whole years from the starting date. For example, the last day of service for a recipient with a 3-year service commitment who began service on July 15, 2008, would be July 14, 2011. Adjustments in the ending date will be made by the NHSC if the scholar takes more than the allowable 35 work days away from the site in a service year (see "Full-Time Clinical Practice" section) and if the commitment is suspended, interrupted, or otherwise delayed.

NOTE: Please be advised that NHSC scholarship recipients are eligible for NHSC Loan Repayment Program after they have completed their

scholarship service commitment. While they are not given preference based on their scholar status, the NHSC Loan Repayment Program does give preference to clinicians working at the highest HPSA sites.

Service Assignment Process

NHSC Scholarship Program recipients must fulfill their service commitments at approved sites in federally-designated HPSAs with the greatest need at the time of assignment, as determined by the Secretary (or designee). These may include assignments to the Indian Health Service (IHS), the medical facilities of the Federal Bureau of Prisons (BOP), or the medical facilities of the U.S. Immigration and Customs Enforcement (ICE).

*NHSC scholarship recipients **cannot** fulfill their NHSC Scholarship Program service commitments by serving in one of the Armed Forces of the United States or the Veterans Administration.*

Physicians and dentists will receive information about the NHSC placement process approximately 6 months prior to the scheduled start of service. **Family nurse practitioners, certified nurse midwives and physician assistants** will be sent information about the placement process approximately 4 months prior to the scheduled start of service. The packet will include the Approved Practice List containing job vacancies for which scholars in each discipline and specialty can compete.

The NHSC reserves the right to make final decisions on all placements, in order to comply with statutory requirements for the placement of scholarship recipients. There is no guarantee that HPSAs or sites which are currently approved for NHSC placements will still be approved at the time applicants are available to serve.

Recipients who fail to obtain a placement in one of the approved practices by the deadlines announced by the NHSC will be assigned to a service site identified by the NHSC.

Recipients who, for any reason, fail to begin or complete service at their assigned service location breach the NHSC Scholarship Program contract and incur the damages described on in the section “Failure to Begin or Complete the Service Commitment or Meet the Terms and Conditions of Deferment” in this *Bulletin*.

Types of Placements

The following types of NHSC placements may appear on the Approved Practice List:

\$ Non-Federal Placements:

C Private Practice Assignment (PPA)

A PPA is an assignment to a public or private entity that operates a community-based system of care where a scholar may serve his/her commitment. These entities may be supported by local communities or may be supported in part by Federal grant funds. Under the PPA, scholars are considered non-Federal members of the NHSC and are paid by and work under the personnel system of the entity to which they are assigned. The salary and benefits paid by the entity must be at least equal to the salary and benefits that the scholar would have received as a Federal civil service employee. Malpractice insurance should be agreed upon by the employer and the scholar and detailed in their written employment contract. The

NHSC requires that each entity make provisions for malpractice insurance, including tail coverage, for scholars under the PPA. Employment contract negotiations are solely the responsibility of the scholar.

C *Private Practice Option (PPO)*

A PPO is a release (from having to serve as a member of the NHSC) to serve in a private practice that operates as fee-for-service, or a salaried position at a public, private non-profit, or for-profit site. There is no minimum provider salary and benefit package requirement for a PPO. By statute, scholars wishing to exercise the PPO must submit a written application to the NHSC. If a PPO placement is approved by the NHSC, the scholar must sign an agreement to, among other things; comply with the section “Charges for Services” requirements set forth in this *Bulletin*. The scholar must also prepare and submit a Uniform Data System report to the NHSC on the conduct of his/her practice. **NOTE:** PPO providers must make arrangements to obtain their own malpractice and medical insurance.

\$ **Federal Placements:**

— *Indian Health Service (IHS)*

This agency of the Department of Health and Human Services offers a variety of placement opportunities at hospitals and other health care facilities serving Native American/Alaskan Native populations (usually on Indian reservations).

— *Federal Bureau of Prisons (BOP)*

This agency of the Department of Justice employs health professionals in Federal prison facilities ranging from infirmary-size units to 500-bed tertiary care hospitals throughout the United States. This placement requires a security clearance and background check.

— *U.S. Immigration and Customs Enforcement (ICE)*

This agency of the Department of Homeland Security provides primary health care for the detainees remanded to the custody of the ICE. Within each Service Processing Center throughout the country, there is a fully accredited outpatient clinic. This placement requires a security clearance.

Charges for Services

Federal and PPA entities, as well as PPO providers, must not discriminate in the provision of services to an individual because that individual is unable to pay or because payment would be made under Medicare, Medicaid or the State Children’s Health Insurance Program. A schedule of discounts (including, in appropriate cases, waiver) must be utilized for patients unable to pay. Finally, Federal and PPA entities and PPO providers must accept assignment under Medicare and enter into appropriate agreements with State agencies to participate in the Medicaid and State Children’s Health Insurance Programs.

Licensure/Certification Required

Scholarship recipients ***must be permanently licensed in their scholarship-supported profession prior to commencing service.*** Credit towards fulfillment of the scholarship commitment will not be given in the absence of a current, unrestricted permanent license.

Scholarship recipients serving under a PPO or PPA Agreement are required to have a license in the State where the service site is located. Scholarship recipients serving as Federal employees are required to be licensed in a State (i.e., any State). Responsibility for obtaining the required State license prior to the service start date rests with the scholarship recipient. Given that scholars will be required to serve in

the areas of greatest need throughout the country, each scholar is responsible for ensuring that his or her professional program and licensing exam will provide broad eligibility to obtain a license in multiple States.

Physicians

All physicians must have successfully completed Steps 1, 2 (clinical skills and clinical knowledge components) and 3 of the United States Medical Licensing Examination (USMLE) or Levels 1, 2 (cognitive evaluation and performance evaluation components), and 3 of the Comprehensive Osteopathic Medical Licensing Examination (COMLEX) by the time they complete their primary care residency training program. To assure that physician scholars are able to fulfill their commitment wherever the need is greatest upon completion of their primary care residency, the NHSC expects all MD/DO scholars to take and pass:

- Step 1 of the USMLE or Level 1 of the COMLEX by the end of the 2nd year of their MD/DO program.
- Step 2 (both components) of the USMLE or Level 2 of the COMLEX (both components) by the end of the 4th year of their MD/DO program.
- Step 3 of the USMLE or Level 3 of the COMLEX by the end of the 1st year of their post-graduate (residency) training program.

MD/DO scholars unable to pass all parts of the licensing examination and obtain a license to practice medicine by the time the service is scheduled to begin will not be routinely eligible for a suspension of their service obligation and may be placed in default.

Dentists

All dentists must have successfully completed the National Board Dental Examination Parts 1 and 2 prior to beginning their NHSC service. To assure that dentists will have licensure in States with the greatest dental needs, the NHSC reserves the right to determine which Regional or State clinical exam the dental scholar should take and pass. Dental scholars are expected to take the appropriate exams at the earliest possible date. If the recipient is unsuccessful in passing the exams and obtaining a license, the recipient should immediately contact the DSCS, in writing, to request a suspension. Please see the "Waiver, Suspension or Cancellation of the Commitment" section in this *Bulletin*.

Nurse Midwives, Family Nurse Practitioners and Physician Assistants

All nurse midwives, family nurse practitioners and physician assistants must have successfully passed discipline specific national certification exams prior to beginning their service commitments. Students are expected to take the appropriate certification exam at the earliest possible date. **No service credit will be given to any NHSC scholar for practice at an NHSC site prior to passing the national certification exams.** If the recipient is unsuccessful in passing the national certification exam, the recipient should immediately contact the DSCS, in writing, to request a suspension. Please see the "Waiver, Suspension or Cancellation of the Commitment" section in this *Bulletin*.

AFull-Time Clinical Practice@

By law, NHSC scholars must be engaged in the full-time clinical practice of their discipline/specialty at the HPSA practice to which they are assigned. The NHSC defines a full-time clinical practice as a minimum of 40 hours per week, for a minimum of 45 weeks per year. The 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. The practice will include hospital treatment coverage appropriate to meet the need of patients and to ensure continuity of care.

For all health professionals **except** obstetrician/gynecologists, certified nurse-midwives, and family practice physicians who practice obstetrics; and psychiatrists, **at least 32 of the minimum 40 hours per week must be spent providing clinical services in the ambulatory care setting at the approved service site** during normally scheduled office hours.

Obstetrician/Gynecology physicians, certified nurse-midwives, and family practice physicians who practice obstetrics; and psychiatrists are required to engage in a minimum of 21 hours per week of outpatient clinical practice, in addition to deliveries and inpatient coverage.

For all health professionals, time spent “on call,” teaching, or doing research does NOT count toward the required 40 hours/week. No more than 7 weeks (35 work days) per service year may be spent away from the practice for vacation, holidays, illness, continuing professional education or any other reason.

Work schedules at Federal facilities may be significantly different than community-based systems of care. Scholars who are interested in practice positions at Federal facilities need to discuss the details with these facilities directly.

DEFAULTING ON THE SCHOLARSHIP COMMITMENT C BREACH OF CONTRACT

Failure to Complete Academic Training

Scholarship recipients who are dismissed from school for academic or disciplinary reasons, or who voluntarily terminate academic training before graduation from the educational program for which the scholarship was awarded, will be declared in breach of their scholarship commitment and held liable to the United States for repayment of **all NHSC Scholarship Program funds paid** to them and to the school on their behalf. The amount owed must be paid in full within **3 years of the date of default**. No interest will be charged on any part of this debt to the United States during the 3-year repayment period. However, if payment in full is not made within the 3-year period, interest will be assessed thereafter.

Failure to Begin or Complete the Service Commitment or Failure to Meet the Terms and Conditions of Deferment

Scholarship recipients who, for any reason, fail to comply with the terms and conditions of deferment (including physicians who fail to complete an NHSC-approved residency) or who, for any reason, fail to begin or complete their service commitments after completion of training, will be in breach of their scholarship commitments. When recipients breach for these reasons, the United States shall be entitled to recover damages equal to **three times the scholarship award plus interest**, in accordance with the formula:

$$A = 3\emptyset \frac{(t-s)}{t}$$

In which:

>A= is the amount the United States is entitled to recover,

>∅= is the sum of the amounts paid to or on behalf of the participant and

the interest on such amounts which would be payable if, at the time the amounts were paid, they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States,

>t= is the total number of months in the participant=s period of obligated service, and

>s= is the number of months of the period of obligated service served by the participant.

The damages which the United States is entitled to recover shall be paid within **1 year of the date of default.**

Delinquent Debt

If the debt is not repaid within 1 year or 3 years (as applicable), and subsequent collection efforts are unsuccessful, the case will then be referred to the Department of Justice for litigation. The recipient will be liable for the debt incurred plus administrative costs and court costs associated with collection of the debt. All delinquent debts must be reported to a commercial credit reporting agency and to the Treasury Department for the Treasury Offset Program.

IRS Tax Refund Offsets and Medicare/Medicaid Exclusion

Through the Treasury Offset Program, the government may offset IRS income tax refunds, and apply those refunds to repay delinquent NHSC Scholarship Program debts (31 C.F.R. 285.2). In addition, delinquent defaulters who are unwilling to enter into, or stay in compliance with, an agreement to repay their scholarship debt can be excluded from participation in the Medicare and Medicaid programs. See section 1982 of the Social Security Act.

Licensure Sanctions

In several States a health professional license can be suspended or revoked for non-payment of an NHSC scholarship debt.

WAIVER, SUSPENSION, OR CANCELLATION OF THE COMMITMENT

Scholarship recipients seeking a waiver or suspension of the service or payment commitment must submit a written request to the Legal and Compliance Office, 5600 Fishers Lane, Room 9C-14, Rockville, Maryland 20857. The request must state the underlying circumstances and be supported by documentation required by the LCO.

A waiver is granted if the recipient documents a permanent situation that makes compliance with the service or financial obligation impossible or an extreme hardship, such that enforcement would be against equity and good conscience. A suspension is granted if the recipient documents a temporary situation that makes compliance with the obligation impossible or an extreme hardship.

Compliance would be considered “impossible” if the Secretary’s designee determines that the participant suffers from a physical or mental disability resulting in his/her inability to perform the obligation incurred.

To determine whether performance of the obligation would impose an “extreme hardship” and be “against equity and good conscience,” the Secretary’s designee,

will consider: (1) the recipient=s present financial resources and obligations; (2) the recipient=s estimated future financial resources and obligations; and (3) the extent to which the recipient has problems of a personal nature, such as physical or mental disability, or terminal illness in the immediate family, which so intrude on the recipient=s present and future ability to perform as to raise a presumption that the individual would be unable to perform the obligation incurred.

A suspension for maternity purposes is limited to 12 weeks. The suspension can only be extended upon a showing of medical complications requiring additional time away from the service site.

In the unfortunate event of a scholarship recipient=s death, any commitment to the NHSC Scholarship Program is **canceled**.

NHSC CHECKLIST FOR THE 2008-2009 SCHOOL YEAR APPLICATION

The following items must be received in the NHSC Scholarship Program or be post marked by the March 28, 2008, deadline.

1. Application. Be sure **to sign in ink**, date, and mail **in both the assurance page and the certification page of the application**.
2. Scholarship contract, **signed in ink**, and dated. **Sign on each line for each school year you are requesting support.** (Establish link to contract)
3. Authorization to Release Information Letter. Be sure to complete and sign the authorization letter which is located at (provide link).
- 4.* Verification of "Disadvantaged Background" status, if claimed. Obtain from financial aid official of your health professions school.
- 5.* Verification by school of your previous participation in the "Scholarship Program for Students of Exceptional Financial Need" (EFN), if this priority status is claimed (Medical and Dental students only).
- 6.* Verification of Acceptance or Verification of Good Standing Report or Letter. This document must be submitted by the deadline of March 28, 2008, for medical and dental students and May 2, 2008, for other health professions and must contain the information set forth in Section VI of this Bulletin. (insert link)
- 7.* A copy of your program's curriculum.
- 8.* Verification of any undergraduate degrees/diplomas for applicants who are pursuing training as Family Nurse Practitioners, Nurse-Midwives, or Physician Assistants. A copy of an official transcript or copy of your degree/diploma is acceptable.
- 9.* **Physician Assistants ONLY.** If you are pursuing a Master's degree, an Associate degree or a Certificate and you do not have a bachelor's degree in nursing, medical technology, or physical therapy, you **MUST** submit **by March 28, 2008**, a detailed resume outlining all health care related education and work experience (including periods of employment and number of hours worked per week). See Applicant Eligibility (make link).
- 10.* Transcript - **New Requirement.** Each applicant must include a transcript from his/her last complete year of academic training. If the applicant is currently enrolled in the program he/she applicant is seeking a scholarship for, a transcript must be provided that includes the last complete semester or term.
- 11.* Academic Reference - **New Requirement.** Each applicant is required to submit one academic reference. If the applicant is currently enrolled in the health professions training program, then the reference should be from the Dean of that academic program. If the applicant has not begun the training associated with the scholarship, the reference (i.e., dean, academic advisor) should be from the applicant's most recent academic program. The reference should focus on why the applicant is a good fit for the National Health Service Corps.
- 12.* Proof of Citizenship. **If you were born outside of the United States, Commonwealth of Puerto Rico, the U.S. Virgin Islands, the Territory of Guam, the Territory of American Samoa or Swains Island**, you must submit evidence of your U.S. citizenship. See instructions in Section A. Item 6 under the section "Specific Directions for Completing the Application" (Insert Link).
- 13.* Direct Deposit and W-4 forms. Each applicant must submit direct deposit and W-4 forms. Without these forms, awards can not be made.
- 14.* Power-of-Attorney. This document must be submitted if you are submitting an application on behalf of another person.
- 15.* Documentation that there is no conflicting service commitment, applicable to individuals with an existing service obligation. See section "No Conflicting Service Commitment" (insert link). This documentation must be submitted by **March 28, 2008**.

If you are submitting any of the documents described in items 4 through 15, identify each with your full name and Social Security Number (See "Privacy Act Notification Statement" Insert link). If your current legal name is different from the name found on any of the documents, identify each with your

current name.

I certify that the information given in this application and all the documents listed on the checklist is accurate and complete to the best of my knowledge and belief. I understand that it may be investigated and that any willfully false representation is sufficient for rejection of this application, or, if awarded a Scholarship, that I am liable for repayment of all awarded funds and further that any false statement herein may be punished as a felony under U.S. Code, Title 18, Section 1001 and subject me to civil penalties under the Program Fraud Civil Remedies Act of 1986 (45 CFR 79).

Sign Your Full Name in Ink and Date

Signature

Date

**DIVISION OF APPLICATION AND AWARDS
NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM**

GLOSSARY OF TERMS

DEFERMENT B is a delay in the start of a National Health Service Corps (NHSC) service commitment granted upon a scholar's request by the Director, Division of National Health Service Corps, for a specified period of time to enter and complete an approved post-degree advanced training program. For multi-year programs, requests for deferment are reviewed annually, and are granted in 1-year increments.

FULL-TIME ENROLLMENT B to be eligible to receive scholarship benefits; participants must be enrolled as full-time students. **Please be advised that any non-required or unrelated courses will not count toward the school's required hours in determining full-time status.**

LEAVE-OF-ABSENCE B is a period of approved absence from a course of study granted to a student by his or her training institution for medical, personal, and other reasons. The leave-of-absence is usually granted for a period of 1 year or less. When a leave-of-absence is expected, a scholar is required to notify the NHSC Scholarship Program immediately, in writing, and submit a letter from the school approving the leave-of-absence and indicating the start and end dates for the period of the absence. Payment of all benefits are discontinued when a scholar is on an approved leave-of-absence, and may be resumed when the student returns full-time to the course of study for which the scholarship was awarded. NOTE: If you are a new awardee and you plan to take a leave-of-absence prior to the start of classes for the 2008-2009 academic year and you will not begin classes on or before September 30, 2008, you must decline the award and reapply next year.

SUSPENSION B is a **temporary** status. The bases for a suspension would be a medical condition or a personal situation that: 1) would make it temporarily impossible to continue the service commitment or payment of the monetary debt, or 2) would temporarily involve an extreme hardship to the individual and enforcement of the service or payment commitment would be against equity and good conscience. All requests for a suspension must be submitted in writing and include full medical and financial documentation.

WAIVER B is a **permanent** status. The basis for a waiver would be a permanent medical condition or personal situation that: 1) would make it impossible for the individual to serve the commitment or pay the debt, or 2) would involve an extreme hardship to the individual and enforcement of the service or payment commitment would be against equity and good conscience. All requests for a waiver must be submitted in writing and include full medical and financial documentation.

**DIVISION OF APPLICATION AND AWARDS
NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM**

SUMMARY OF IMPORTANT DEADLINES

ISSUES	IMPORTANT DEADLINES
Submit an NHSC Scholarship Application Online	March 28, 2008
Submit All Supporting Document (see Checklist)	March 28, 2008
Submit Verification of Acceptance Report, or Verification of Good Standing Report (Allopathic, osteopathic, and dental students)	March 28, 2008
Submit Verification of Acceptance Report, or Verification of Good Standing Report (Physician Assistants, Nurse Practitioners and Nurse Midwives)	May 2, 2008
Notify applicant of award	June - September 2008
Notify applicant of selection as alternate Notify applicant of award	June - September 2008
Notify applicant of non-selection for a scholarship award Notify applicant of selection as an alternate	June - September 2008
All Awards Completed -- Notify applicant of non-selection for a scholarship award	August 2008
All awards completed	September 30, 2008

**VERIFICATION OF ACCEPTANCE REPORT
(For School Use Only)**

Date: _____

Mail to: Bureau of Clinician Recruitment and Service
Division of Application and Awards
NHSC Scholarship Program
c/o Discovery Logic
1375 Piccard Drive, Suite 325
Rockville, Maryland 20850
1-800-638-0824

This Verification of Acceptance Report certifies that the student identified below has been accepted for admission for the 2008-2009 school year as indicated.

Name of student: _____

Student=s Social Security Number: _____

Program in which student is admitted: _____

Is student considered: G Full-time G Part-time
Is there a contingency to student=s acceptance? (Circle) YES or NO
If YES, explain: _____

Student classification at admission of the 2008-2009 school year (1st, 2nd, 3rd, 4th, 5th, or 6th): _____

Length of the full-time program: _____ Months (IN MONTHS ONLY)
Degree/certificate student will receive upon completion of this program: _____

Date classes start for the 2008-2009 school year: _____

Anticipated date of graduation: _____

SUBMITTED BY:

Signature _____

Name _____

Title & Phone Number _____

E-Mail Address _____

Name of School _____

THIS REPORT MUST HAVE THE SCHOOL=S RAISED SEAL ON IT TO BE ACCEPTED.

VERIFICATION OF GOOD STANDING REPORT
(For School Use Only)

Date:

Mail to: Bureau of Clinician Recruitment and Service
Division of Application and Awards
NHSC Scholarship Program
c/o Discovery Logic
1375 Piccard Drive, Suite 325
Rockville, Maryland 20850
1-800-638-0824

This Verification of Good Standing Report certifies that the student identified below is enrolled and is in good standing for the 2008-2009 school year as indicated.

Name of student: _____
Student=s Social Security Number: _____
Program in which student is enrolled: _____

Is student considered: _____ Full-time _____ Part-time

Is there a contingency to student=s acceptance? (*Circle*) YES or NO
If YES, explain:

Student classification at admission of the 2008-2009 school year (1st, 2nd, 3rd, 4th, 5th, or 6th):

Length of the full-time program: _____ Months (*IN MONTHS ONLY*)

Degree/certificate student will receive upon completion of this program: _____

Date student started in this program: _____

Date classes start for the 2008-2009 school year: _____

Anticipated date of graduation: _____

SUBMITTED BY:

Signature _____

Name _____

Title & Phone Number _____

E-Mail Address _____

Name of School _____

THIS REPORT MUST HAVE THE SCHOOL=S RAISED SEAL ON IT TO BE ACCEPTED.

AUTHORIZATION TO RELEASE INFORMATION

If I become a participant in the National Health Service Corps (NHSC) Scholarship Program, I,

 (Print Name - First, Middle Initial, Last)

hereby authorize the school where I am/was enrolled while participating in the NHSC Scholarship Program to disclose information pertaining to my school enrollment to the Department of Health and Human Services (DHHS), Bureau of Clinician Recruitment and Service Division of National Health Service Corps (DNHSC), which administers the NHSC Scholarship Program. AInformation pertaining to my school enrollment@ includes, but is not limited to, my transcripts and grades, my academic standing, my enrollment and degree status, my curriculum and examination requirements for graduation, my tuition and fees, and my leave-of-absence, withdrawal, or dismissal from school.

This authorization will also include the disclosure of any pertinent information needed while I am in a residency training program (if applicable).

This authorization takes effect on the date that I become a participant in the NHSC Scholarship Program, and it shall remain in effect until the date my NHSC scholarship commitment has been fulfilled.

 (Signature of Individual)

 (Date)

 (Social Security
 Number)

Return to:

Bureau of Clinician Recruitment and Service
 Division of Application and Awards
 NHSC Scholarship Program
 c/o Discovery Logic

1375 Piccard Drive, Suite 325
Rockville, Maryland 20850

**THE FRONT & BACK
OF THE 2008-2009 NATIONAL
HEALTH
SERVICE CORPS SCHOLARSHIP
PROGRAM CONTRACT
WOULD GO HERE, BUT IT IS NOT
AVAILABLE.
WILL BE IN THE PRINTED COPY OF
THE NEW BULLETIN.**