

Supporting Statement Faculty Loan Repayment Program (FLRP) Applications

A. Justification

1. Circumstances of Information Collection

This is to request an extension of OMB approval of the information collection requirements and application form for the Faculty Loan Repayment Program (FLRP) currently approved under OMB No. 0915-0150, which expires December 31, 2009.

The Faculty Loan Repayment Program (FLRP) is governed by section 738(a) of the Public Health Service Act (42 U.S.C. 293b), as amended by the Health Professions Education Partnerships Act of 1998 (Pub. L.105-392). The purpose of the FLRP is to recruit individuals from a disadvantaged background who have a health professions degree or certificate to serve as faculty members in accredited health professions schools by offering to make partial payments on education loan(s). The FLRP is directed at those individuals available to either; 1) serve immediately or within a short time as "new" full-time or part-time faculty members or, 2) are currently serving as full-time or part-time faculty members.

In exchange, the graduate health professional agrees to have a contract with an accredited health professions school to serve as a full-time or part-time faculty member for a minimum of 2 years. Loan repayment agreements are approved by the Secretary for eligible undergraduate and graduate health professional educational loans incurred with government or commercial lending institutions.

All FLRP application information is electronic and is essential to determine the applicants' eligibility and the creditability of existing undergraduate and/or graduate health professional educational loans.

This collection of information is necessary to enable HRSA to respond to The President's Management Agenda, which calls for government reform that is citizen-centric, results-oriented and market-based and requires agencies to participate in e-Government initiatives that provide high quality customer service, provide citizens with readier access to government services, increase access for persons with disabilities to agency Web sites and make government more transparent and accountable (<http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>).

2. Purpose and Use of Information

The applicant completes and submits an electronic application that identifies for the Secretary that the applicant is a disadvantaged health professions graduate who has a contract with an accredited health professions school to serve as a full-time or part-time faculty member for a minimum of 2 years and has valid outstanding educational loans. In addition, for each undergraduate and/or graduate loan for which repayment is sought, the applicant is required to

submit promissory notes verifying the establishment of the educational loan(s) and lender statements identifying the current balance of the outstanding educational loan(s). After thorough review of the applications, participants are selected.

The information is needed in order to determine that applicants are in compliance with requirements of the FLRP and that the evidence submitted to the FLRP is satisfactory to the Secretary before entering into an agreement for repayment of undergraduate and/or graduate health professions loans. Applicants are required to submit promissory notes verifying the original loan amount and date, and lender statements identifying the current Principal & Interest of their outstanding educational loan(s).

The terms and conditions for participating in the FLRP are set forth in the contract between the individual and the Secretary. In addition, the contract includes the relevant statute authorizing the operation of the FLRP.

3. Use of Improved Information Technology

Currently, all FLRP materials are available on the Internet. FLRP guidance and application materials have been integrated into a website for easier access by the public. Program staff members are available to answer inquiries via telephone and e-mail. This website provides the purpose and goal of the program. A program overview, eligibility and employer requirements are featured, as well as Frequently Asked Questions. Every phase of the FLRP is covered on this website, which is easily accessible 24-hours a day. During application sessions, the application can be obtained from the site.¹

4. Efforts to Identify Duplication

The information requested in the application is specific to the applicant and unique to this program.

5. Involvement of Small Entities

The information collection does not involve small businesses or other small entities.

6. Consequences If Information Collected Less Frequently

The FLRP requests the information once from each applicant. Without this information, the program would be unable to determine applicant eligibility.

7. Consistency with the Guidelines in 5 CFR 1320.5(d)(2)

This information collection fully complies with the guidelines in 5 CFR 1320.5(d)(2).

¹ FLRP Website: <http://bhpr.hrsa.gov/dsa/flrp/>

8. Consultation Outside the Agency

The notice required by 5 CFR 1320.8(d) was published in the *Federal Register* on December 22, 2008, Volume 73, No. 246, page 78373. No comments were received. The 30 day notice was published on June 9, 2009, Volume 74, No. 109, page 27322.

The individuals listed below were contacted by program staff to verify the burden associated with the FLRP application. They reported no particular difficulty in completing the form, and no change in the estimated burden for completing the form. The following individuals did allow that the site was user friendly and a very easy process to follow. It was reported that the gathering of the loan documents and the documentation from their institution was more time consuming.

Applicants:

Sandra A. Billinger
University of Kansas Medical Center
3901 Rainbow Blvd.
Kansas City, KS 66160
(913) 945-6685

Millicent K. Channell
University of Medicine and Dentistry of New Jersey
42 East Laurel Rd.
Stratford, NJ 08084
(856) 566-2745

9. Remuneration of Respondents

Respondents will not be remunerated.

10. Assurance of Confidentiality

The Right to Financial Privacy Act (RFPA), Pub. L. 95-630, regulates any financial institution that provides a Federal agency with access to information contained in the financial records of a customer. Section 1102(a) prohibits government access to financial records unless one of five procedures is used and the records are "reasonably described." The procedure being used by FLRP requires the applicant to submit promissory notes that verifies the establishment of the loan(s) and lender statement(s), which identifies the current loan balance(s), verifies the applicant's address and provides the applicant's Social Security Number. All applicants comply with this requirement.

A Privacy Act Notification Statement is included on the FLRP website which describes the purposes of the information collection and the potential disclosures. A Privacy Act System of Records, #09-15-0058, has been established for the Faculty Loan Repayment Program, HHS/HRSA/BHPr. The disclosure of the applicant's Social Security Number (SSN) is required

by section 4 of the Debt Collection Act of 1982 (26 U.S.C. 6103) and the applicant provides this information on his/her lender statement(s). The disclosure of the Social Security Number is required for participation in the program, since the amounts repaid to lenders must be reported to the Internal Revenue Service as "other income" on IRS Form 1099. Safeguards are followed concerning the use of the SSN in the Privacy Act of 1974 (5 U.S.C. 552a note).

11. Questions of a Sensitive Nature

There are no questions of a sensitive nature.

12. Estimates of Annualized Hour Burden

The estimated average hour burden and hour cost is as follows:

Form	Number of Responses	Responses Per Responses	Total Annual Responses	Hours per Response	Total Hour Burden	Dollar Wage Rate	Total Hour Cost
Applicants	181	1	181	6	1,086	\$59	\$63,012

Form Name	Number of Respondents	Responses per Respondent	Hours per Response	Total Burden Hours	Wage Rate	Total Hour Cost
Application	181	1	1	181	\$59	\$10,679
Institution Employment Form	181*	1*	1	181	\$59	\$10,679
Loan Information and Verification Form	181	3	3	543	\$59	\$32,037
Checklist Form	181	1	.50	90.50	\$59	\$5,339.50
BCRSIS Online Banking Form	181	1	.50	90.50	\$59	\$5,339.50
TOTAL	362			1,086		\$64,074

*Respondent for this form is the academic institution for the applicant.

Basis for Burden: Applications are for service as faculty health professionals and 181 applications were submitted in 2008, an increase from previous years. The burden per response has increased from one hour to four hours. A justification for the increase in burden is in section

15. Please note that due to the way this package has been submitted in ICRAS, the number of responses reflects an incorrect and inflated number (905). The true number of respondents is reflected in this burden table (362: 181 applicants and 181 academic institutions).

13. Estimates of Annual Cost Burden to Respondents

There are no capital and start-up costs because the applicants incur no costs other than their time.

14. Estimates of Annualized Cost to the Government

The annual cost to the government is approximately \$64,074 for 75% time for one FTE GS 14 employee to process the applications and facilitate team members in the loan repayment process.

15. Change in Burden

The current total burden hour for this activity in the OMB inventory is 160 hours. This request is for 1,068 hours, an increase of 908 hours. This increase is a program adjustment due to an expectation of an increase in the number of individuals participating in the program, the number of loans each applicant submits, and the applicants' requirement to obtain documentation from the employing institution (per the OIG Report January 2002 Faculty Loan Repayment Program – Making More Effective use of Program Funds OEI-12-01-00510 – Attachment C). Additionally, the program is adding a FLRP checklist for applicants estimated to add 91 burden hours to the ICR as part of the increase; this is a program change due to agency discretion.

16. Time Schedule, Publication, and Analysis Plans

There are no plans for the tabulation, statistical analysis or publication of the information.

17. Exemption for Display of Expiration Date

The expiration date will be displayed.

18. Certifications

This information collection fully complies with the guidelines in 5 CFR 1320.9. The certifications are included in the package.

Attachments

Attachment A – Legislation

Attachment B – FLRP Forms, Including: Application, Application Checklist, Loan Information and Verification Form, and Institution Employment/Loan Repayment Verification

Attachment C – OIG Report