

Supporting Statement for the Nursing Education Loan Repayment Program

A. JUSTIFICATION

1. Circumstances of Information Collection

This is a request for revision of the Nursing Education Loan Repayment Program (NELRP) application and participant monitoring forms. The NELRP is authorized by 42 USC 297n(a) (section 846(a) of the Public Health Service Act, as amended by Public Law 107-205, August 1, 2002 and Public Law 111-148, March 23, 2010). The application and forms are approved under OMB No. 0915-0140, which expires 1/31/2011.

Under the NELRP, registered nurses and nurse faculty are offered the opportunity to enter into a contractual agreement with the Secretary to receive loan repayment for up to 85 percent of their qualifying educational loan balance as follows: 30 percent each year for the first 2 years and 25 percent for the optional third year. In exchange, the nurses agree to serve full-time for a minimum of 2 years as a registered nurse at a health care facility with a critical shortage of nurses or as nurse faculty at an eligible school of nursing. The NELRP statute requires that a funding preference be given to eligible applicants with greatest financial need. Applicants whose total qualifying loans are 40 percent or greater than their annual salary will meet the greatest financial need funding preference.

The NELRP forms provide information that is needed for selecting participants, repaying qualifying loans for education, and monitoring compliance with service requirements. The NELRP forms include the following: The NELRP Application, the Loan Information and Verification form, the Employment Verification and Critical Shortage Facility form, the Employment Verification for Nurse Faculty Appointment, the Authorization for Release of Employment Information form, the Authorization to Release Information form, the Certification Regarding Debarment, Suspension, Disqualification and Related Matters form, the Certification of Accreditation Status for School of Nursing Education Programs form, the NELRP Application Checklist and Self-Certification form, the Verification of Acceptance or Decline of Award form and the Participant Semi-Annual Employment Verification form.

2. Purpose and Use of Information

Application

Applicants are required to submit an online application that provides data regarding the applicant's identity and contact information, qualifying nursing education, qualifying nursing education loans, nursing licensure, current employment, and other eligibility criteria. This information is necessary to determine whether the applicant meets the NELRP's eligibility and

funding preference requirements, as outlined in the Application and Program Guidance (APG). In addition, for each of the nursing education loans for which repayment is being requested, the applicant is asked to complete a one-page form that identifies past and present lenders, purpose of the loan, original date and amount of the loan, current balance and interest rate, and default status. The NELRP reviews the submitted loan information and verifies the type and status of the loans to be considered for repayment.

The application forms for which approval is requested are:

NELRP Application Checklist:

The “Loan Documentation” section has been modified to clarify for applicants what information is necessary when submitting loans for repayment and where applicants may go to find that information.

The “Employment Verification” section has been modified to include nurse faculty option.

Employment Verification Form and Critical Shortage Facility form:

An employment verification form is necessary for both practicing nurses and nurse faculty. While the questions are largely similar, there are a few differences, which now require two separate forms for the respective discipline.

Practicing nurses will complete the Employment Verification and Critical Shortage Facility form. No significant changes have been made to this form. Nurse faculty applicants are not required to work at a Critical Shortage Facility and are employed full-time in differing schedules. Nurse faculty applicants will complete the Employment Verification for Nurse Faculty Appointment form, which is a slight modification of the Employment Verification and Critical Shortage Facility form.

Certification of Accreditation Status for School of Nursing Education Programs form:

Due to the addition of nurse faculty with the passage of the Affordable Care Act, the NELRP included a certification of accreditation form in its package for nurse faculty applicants. The form is to be completed by the School of Nursing Dean’s office or Program Chair, and certifies that all of the nursing programs in the named school of nursing are accredited by a nationally-recognized nursing accrediting agency. The authorized official must sign and date the form.

The Verification of Acceptance or Decline of Award form:

This form is for applicants to confirm their continued interest in participating in the NELRP before an award is finalized. This form is only for applicants who have been identified as a possible NELRP award recipient.

3. Use of Improved Information Technology

This information collection activity is web-based. Application instructions and forms are available at <http://www.hrsa.gov/loanscholarships/repayment/nursing/>.

4. Efforts to Identify Duplication

The information collected is specific to the applicant and unique to this program. No other source of this information is known to exist for completion of the application and semiannual monitoring forms.

5. Involvement of Small Entities

The information collection will not have a significant impact on small entities.

6. Consequences if Information Collected Less Frequently

This program has a yearly application cycle. If not selected, the applicant may reapply in the next yearly cycle. The selection process for NELRP awards necessitates the collection of information required to determine an applicant's eligibility and funding preference. In the absence of this information collection, the NELRP could not make any awards. In addition, the monitoring process for compliance with contractual requirements necessitates semiannual employment verification. The consequence of less frequent monitoring is payout of government funds to participants who should not receive them.

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

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

8. Consultation Outside the Agency

The notice required in 5 CFR 1320.8(d) was published in the *Federal Register* on September 28, 2010 (Vol. 75, No. 187, p. 59720). The 30 day notice was published on December 28, 2010 (Vol. 75, No. 248, p. 81623). No comments were received.

This program has consulted the following applicants to obtain constructive feedback to improve the application, improve efficiency, and minimize the collection burden. The comments on clarity of the application and forms were positive. The applicants found the application instructions and materials to be clear and straight forward. There were no suggestions for improvement.

Applicants contacted included:

1. Jackie Lapp
Reg. Nurse
West Park Hospital
Park, Wyoming
307-587-6241
2. Bradley Fraley
CRNA
Summersville Regional Medical Center
Nicholas, WV
304-872-5595
3. Tierra Oliver
Staff Nurse
Albert Einstein Medical Center
Philadelphia, PA
845-313-2380
4. Jamie Kopperdahl
Staff Nurse
Merit Care Health System
Cass, ND
701-885-5548
5. Timothy Newell
Staff Nurse
VCU Health System
Richmond, VA
512-917-8521

9. Remuneration of Respondents

Respondents will not be remunerated.

10. Assurance of Confidentiality

Data collected on the individual NELRP application forms and semiannual monitoring forms constitutes a system of records under the Privacy Act of 1974. The applicable Privacy Act system is the “Public Health Service and National Health Service Corps Health Care Provider Records System” (09-15-0037). Information provided on each selected application will be maintained for at least 2 years and up to 10 years. This is necessary to permit the monitoring of

NELRP participants through the completion of their NELRP service commitments.

11. Questions of a Sensitive Nature

The applicant's social security number is required for purposes of reporting the amount of loan repayments received by an individual to the Internal Revenue Service. It is also required by the Debt Collection Act of 1982, to permit collection of claims resulting from a participant's breach of the NELRP contract.

The applicant's annual gross salary and outstanding educational loan balances are required to determine whether the applicant meets the statutory funding preference. The loan information is also needed to determine whether the loans are eligible for repayment. The Right to Financial Privacy Act (RFPA), Public Law 95-630, regulates the Federal Government's access to the financial records of individuals maintained by a financial institution. The Loan Information and Verification Form comply with the RFPA requirements for customer authorization for disclosure of financial records.

The applicant's banking information is necessary to electronically transmit loan repayments to the individual's financial institution, as required by the Debt Collection Improvement Act of 1996 and 31 CFR Parts 208 and 210.

The NELRP obtains a Credit Bureau Report (CBR) as part of the application review process. The CBR is cross-referenced with the information on the Loan Information and Verification Form, and also used to verify whether the applicant has a Federal judgment lien. The Privacy Act Notification Statement in the Application and Program Guidance advises applicants that a CBR will be obtained.

12. Estimates of Annualized Hour Burden

The estimates of reporting burden for Applicants are as follows:

Instrument	Number of Respondents	Responses/ Respondents	Total Responses	Hours per Response	Total Burden Hours
NELRP Application - 1	8,000	1	8,000	1.5	12,000
Loan Information and Verification Form - 2	8,000	3	24,000	1	24,000
Employment Verification and Critical Shortage Facility Form - 3	7,500	1	7,500	.50	3,750
Employment Verification for Nurse Faculty Appointment Form - 8	500	1	500	.25	125
Authorization for Release of Employment Information Form - 4	8,000	1	8,000	.10	800
Authorization to Release Information Form - 9	8,000	1	8,000	.10	800
Certification Regarding Debarment, Suspension, Disqualification and Related Matters Form – 10	8,000	1	8,000	.10	800
Certification Of Accreditation Status for School of Nursing Education Programs Form - 11	500	1	500	.10	50

Application Checklist and Self-Certification Form - 5	8,000	1	8,000	.50	4,000
The Verification of Acceptance or Decline of Award form - 12	1,200	1	1,200	.25	300
Total			73,700		46,625

The estimates of reporting burden for Participants are as follows:

Participant Semi-Annual Employment Verification Form - 7	2,300	2	4,600	.5	2,300
Total	2,300	2	4,600	.5	2,300
Total for Applicants and Participants			78,300		48,925

Basis for estimates:

Applicants: Based on previous responses, the number of applicants is estimated to average 8,000 per year for the next 3 years. Each applicant must complete an application only once per fiscal year. The application consists of: general information (name, address, school attended, degree(s) obtained, employment, etc.); one page of information for each educational loan to be considered (average of 3 forms per applicant), plus any necessary supporting documentation; one page of information regarding the applicant's employment, plus any required supporting documentation; one page of information regarding the applicant's banking information; and a checklist.

Lenders: Approximately 8,000 applications with at least one to three loans each will be submitted. Approximately 10% of all loans submitted are verified through the lending institution. Approximately half of these are verified through the lending institutions automated access system. This figure is based on the applications likely to be funded due to the funds available for the NELRP program.

13. Estimates of Annualized Cost Burden to Respondents

There are no capital or startup costs to the respondents. All equipment and software are internally maintained at the NELRP as part of its normal business practice. The operation and maintenance costs to applicants consist of \$1.25 for making additional copies as necessary of the Loan Information and Verification Form and copying original loan documentation if their loans have been consolidated, and \$2.50 for mailing costs, which equals an estimated annualized cost burden of \$30,000. There will be no operation or maintenance costs to lenders; all information is maintained for usual business purposes.

14. Estimates of Annualized Cost to Government

The estimated cost to review the NELRP Program application forms is \$1,403,633. In FY 2010, the NELRP was managed by 6 staff persons, 1 Manager (\$534,713), contracted administrative support (\$349,250), and contracted application processing support (\$519,670).

15. Changes in Burden

Currently, there are 29,800 burden hours in the OMB Inventory. The new request is for 48,925 hours, an increase of 19,125 hours. There is a substantial increase in burden resulting from a program change that increased the budget and a subsequent increase in interest and application to the program. The budget increase is expected to result in a significant increase in the number of applicants to program, from an estimated 5,000 respondents up to 8,000 respondents, an increase of 3,000 respondents. The program will also no longer use the “Pre-Award Script” which has been deleted from the Information Collections.

16. Time Schedule, Publication and Analysis Plans

The Nurse Reinvestment Act requires annual reports to Congress regarding participant demographics, service sites, default information, etc. These reports provide information tables as well as analysis of trends and evaluation of the program.

17. Exemption for Display of Expiration Date

The expiration date will be displayed.

18. Exceptions to Certification for PRA Submissions

This information collection fully complies with 5 CFR 1320.9.