

**Supporting Statement for  
The Application for Participation in  
The National Health Service Corps Scholarship Program**

**A. JUSTIFICATION**

**1. Circumstances of Information Collection**

The Health Resources and Services Administration's (HRSA's) Bureau of Clinician Recruitment and Service (BCRS) is requesting a revision of OMB approval of the application and forms for the National Health Service Corps (NHSC) Scholarship Program. This submission is a revision of a previously approved information collection activity. The application and forms are approved under OMB No. 0915-0146, which expires 02/28/2011.

The legislative authority for the NHSC Scholarship Program is the Public Health Service Act, Title III, Section 338A, C-H, [42 U.S.C. 254l, m-q], as amended by Public Law 101-257 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 2002.

The purpose of the NHSC Scholarship Program is to ensure an adequate supply of health professionals to provide primary health services through a culturally competent, interdisciplinary team of clinicians to populations located in health professional shortage areas (HPSAs) identified by the Secretary of the Department of Health and Human Services. HPSAs can be found in rural and urban communities across the Nation and the several United States territories and possessions.

Under the NHSC Scholarship Program, students seeking to become allopathic physicians, osteopathic physicians, dentists, behavioral and mental health professionals, family nurse practitioners, nurse midwives and physician assistants, and, if needed by the NHSC, students of other health professions (including mental health professionals) are offered the opportunity to enter into a contractual agreement with the Secretary under which the Department of Health and Human Services agrees to pay the total school tuition, required fees, and a stipend for living expenses. The duration of scholarship support is at the discretion of the student; minimum support is for 1 year, maximum support is for 4 years. In exchange, the scholarship recipient agrees to provide full-time primary care clinical services at a site in a federally designated HPSA as assigned by the NHSC. The minimum service commitment is 2 years; the maximum is 4 years.

The NHSC Scholarship Program is used as a recruitment incentive to attract individuals committed to serving the underserved. Individuals interested in participating in the scholarship program must complete a NHSC application and supporting forms. Individuals are selected for awards based on meeting the required eligibility criteria, which is determined from the information provided in the application and forms.

Approval is being requested for the application and forms for purposes of the NHSC Scholarship Program selection and award process.

## 2. Purpose and Use of Information

The information collected in the online application is needed to determine which applicants are qualified and suitable to receive scholarship awards. Applicants are competitively selected for awards according to the criteria required by Federal statute and regulation, and the priority staffing needs of the NHSC. As stated in the PHS Act, Section 338A, [2541](d)(2), in providing contracts under the Scholarship Program, the Secretary shall give priority to:

“(A) first, to any application for such a contract submitted by an individual who has previously received a scholarship under this section or under section 758;

(B) second, to any application for such a contract submitted by an individual who has characteristics that increase the probability that the individual will continue to serve in a health professional shortage area after the period of obligated service pursuant to subsection (f) of this section is completed; and

(C) third, subject to paragraph (B), to any application for such a contract submitted by an individual who is from a disadvantaged background.”

As specified in the regulations (42 CFR Part 62.6(b) and (c)), in deciding which applications will be approved, first priority will be given to individuals who have previously received a scholarship under the NHSC Scholarship program or under section 758, “authorizing scholarships for first-year students of exceptional financial need. (2) Second priority will be given to applicants who are entering their first year of study. (c) Selection. (1) In selecting participants, the Secretary will take into account consideration those factors which he or she determines necessary to assure effective participation in the Scholarship Program. These factors may include, but not be limited to (i) work experience, (ii) community background, (iii) career goals, (iv) faculty evaluation, (v) and academic performance.”

The application and forms seek to collect information that can be used to identify scholars who, when they complete their health professions education, will specialize in the delivery of primary health services, complete their period of obligated service in an acceptable manner, and subsequently be retained in practice in an area that has a shortage of health care personnel.

The application and forms capture information that is relevant to the three priority areas specified above in order to identify applicants with the greatest potential to fulfill the objectives of the Scholarship Program. It is particularly important to have an application that provides information by which the program can assess which individuals are most willing and able to serve the underserved.

The burden is divided into two sections, the first is for NHSC Scholarship Applicants, and the second is for those who have been awarded and their participating institutions (schools and sites).

The NHSC Scholarship Program uses the information collected in the application and forms to select applicants for scholarship awards. All information is used to determine that individual applicants meet the required criteria and interest in practicing in a HPSA.

The forms for which approval is requested are as follows. They are separated into forms that have no change and those that have been revised.

*Revised Forms for Applicants:*

Verification of Acceptance/Good Standing Report

Form will be used to verify acceptance or enrollment in a full-time program as well as to monitor students to ensure they are enrolled in good standing. Revisions made:

- Combined two forms (Verification of Acceptance Report and Verification of Good Standing Report) into one form.
- Added question about the status of the student to verify enrollment as full-time status for monitoring purposes.
- Added question about the academic year schedule to assist in monitoring as well as invoicing.
- Added examples of contingencies to clarify the Contingency question.
- Added a clause on providing correct information.

Authorization to Release Information

Revisions made:

- Expanded on who the participant agrees to disclose information to, including DHHS' contractors and entity/entities where the participant is providing service in satisfaction of the program obligation.
- Also expanded on the information that the participant agrees to release regarding post-degree advanced training programs and also information pertaining to the participant's compliance with the NHSC scholarship service requirements.
- Included the following statement: "These authorizations may be revoked by [the participant] in writing at any time."

*Forms with No Change for Applicants:*

Academic Official's Evaluation Letter – Instructions

Recommendation letter from an academic official is required in order for an application package is deemed complete. The form provides instructions on what information should be included in the evaluation.

#### Non-academic Evaluation Letter – Instructions

Recommendation letter from an academic official is required in order for an application package is deemed complete. The form provides instructions on what information should be included in the evaluation.

#### Receipt of Exceptional Financial Need Scholarship

This document certifies that the applicant has participated in the EFN Program. This applies only to medical and dental students.

#### Verification Regarding Disadvantaged Background

This document certifies that the applicant comes from a disadvantaged background and either participated in or would have been eligible to participate in Federal programs such as “Scholarships for Disadvantaged Students”, “Loans to Disadvantaged Students,” or the “Nursing Workforce Diversity Grant Program.”

#### Acceptance/Declination

Verification of applicant’s interest in program. This form is given to applicants who are deemed eligible for the award.

#### *Forms with No Change for Participants/Schools/Sites:*

#### Data Collection Worksheet

This document collects information on cost of tuition, required fees, and other reasonable costs from schools. This information is needed to determine the amount of scholarship award given to each student.

#### Deferment Request

The form represents a formal request from the scholar for the deferment of his/her service obligation incurred as part of the program.

#### Six-Month Service Obligation Verification

This form is completed by participants and their sites every six months to verify completion of service requirements at their assigned service location.

### **3. Use of Improved Information Technology**

This information collection activity is web-based. Application instructions and forms are available at <http://nhsc.hrsa.gov/scholarship/apply.htm>.

#### **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 forms.

#### **5. Involvement of Small Entities**

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

#### **6. Consequences if Information is Collected Less Frequently**

The selection process for making NHSC Scholarship Program awards must be completed annually prior to the beginning of the academic school year. In the absence of collecting this data, review, selection, and approval of qualified applicants cannot be carried out.

#### **7. Consistency With The Guidelines in 5 CFR 1320.5(d)(2)**

This information collection is consistent 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 \_\_\_\_\_ (Vol. 72, No. 149, page 43283). 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. Pritesh Gandhi, MD  
18 Windward Court  
The Woodlands, TX 77381  
617-304-2555
2. Frank Giannelli, PA  
18 Dogwood Lane  
Berkley Heights, NJ 07922  
908-578-9414
3. Syeda J. Z. Mansur, MD  
3101 S. Manchester Street #704  
Falls Church, VA 22044  
703-507-2647

4. Susan Thomas, NP  
761 Williamsburg Drive  
Concord, NC 28025  
704-699-2774

5. Aimee Williams, MD  
321 S. 12<sup>th</sup> Street, Apt. 2F  
Philadelphia, PA 19107  
703-403-1016

## **9. Remuneration of Respondents.**

Respondents will not be remunerated.

## **10. Assurance of Confidentiality**

Data collected on the individual NHSC Scholarship Program application and forms constitutes a system of records as defined under the Privacy Act of 1974. The program is covered by an existing System of Records, Public Health Service (PHS) and National Health Service Corps (NHSC) Scholarship/Loan Repayment Participants Records System (09-15-0037).

All information collected through use of the NHSC Scholarship Program application process, as well as storage of this information, will be in compliance with the Privacy Act. A Privacy Act Notice, which describes the authority for collecting the information, the routine uses which may be made of the information collected and the necessity of reporting to receive scholarship award consideration, is contained in the scholarship Application and Program Guidance.

## **11. Questions of a Sensitive Nature**

There are no sensitive questions in the application. The Social Security number is required because the amount received for the stipend must be reported to the Internal Revenue Service as income to the scholarship recipient. The Social Security number is also required by section 4 of the Debt Collection Act of 1982 (26 U.S.C. 6103) to permit collection of claims resulting from participants defaulting on the service obligation required under the scholarship award. The amount of scholarship support then becomes a debt owed the Federal Government.

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

The NHSC SP obtains a Credit Bureau Report (CBR) as part of the application review process. The CBR is 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 annual estimate of burden for applicants is as follows:

Instrument	Number of Respondents	Responses/ Respondent	Total Responses	Hours per Response	Total Hours Burden	Hour Cost	Total Hour Cost
NHSC Scholarship Program Application	1800	1	1800	2.0	3600	\$20	\$72,000
Evaluation Letters	1800	2	3600	.50	1800	\$20	\$36,000
Authorization to Release Information	1800	1	1800	.10	180	\$20	\$3,600
Verification of Acceptance/Good Standing Report	1800	1	1800	.25	450	\$20	\$9,000
Receipt of Exceptional Financial Need Scholarship	100	1	100	.25	25	\$20	\$500
Verification Regarding Disadvantaged Background	300	1	300	.25	75	\$20	\$1,500
Acceptance/Declination Form	250	1	250	.10	25	\$20	\$500
Total			9,650*		6,155	\$20	\$123,100

\*There was a miscalculation in the 30 day notice. It states a total of 9400, but the correct total is 9650.

The annual estimate of burden for participants/schools/sites is as follows:

Instrument	Number of Respondents	Responses/ Respondent	Total Responses	Hours per Response	Total Hour Burden	Hour Cost	Total Hour Cost
Data Collection Worksheet	400	1	400	1.0	400	\$20	\$8,000
Deferment Request Form	60	1	60	.25	15	\$20	\$300
Six-Month Service Obligation Verification Form	700	2	1400	.50	700	\$20	\$14,000
Total			1,860		1,115	\$20	\$22,300

## Basis for Estimates

### *For Applicants:*

The number of NHSC Scholarship Program applicants is estimated to average 1,800 per year for the next 3 years. Based on recent history, the NHSC Scholarship Program will award approximately 230 multi-year scholarships each year for the next 3 years.

Based on the information requested in the scholarship application and forms, it is estimated that it will take an average of 3.5 hours to review the instructions and complete the application and forms for the Scholarship Program.

Scholarship applicants may be students and/or may be in the workforce. Since applicant employment status is mixed, a value of \$20 per hour is estimated as the average wage rate per hour.

### *Participants/Schools/Sites*

These are all new forms that will be used once the applicant is awarded and becomes a participant in the program. Participants must use the 6 month verification form, and when needed the deferment request form. The data collection worksheet is sent to participant's schools to be updated annually by the school and/or site. For the 6 month service obligation form, the schools and/or sites also provide this information.

## **13. Estimates of Annualized Cost Burden to Respondents**

There are no capital or start-up costs for this activity, and there are also no operation or maintenance costs with this application.

## **14. Estimates of Annualized Cost Burden to the Government**

The estimated cost to review the NHSC Scholarship Program application and forms is \$1,508,041. In FY 2010, the NHSC Scholarship Program was managed by 11 staff persons, 1 Manager (\$744,639), contracted administrative support (\$349,250), and contracted application processing support (\$414,152).

## **15. Changes in Burden**

The OMB inventory of approved burden previously contained 5,400 hours for the NHSC application. This request is for 7,270 hours, for an increase of 1,870 hours. The increase in burden is a result of revisions in the forms and addition of forms. The previous burden estimate of 3 hour per respondent has been increased to 3.5 hours per respondent to include time for obtaining transcripts, academic and non-academic references and completing the new forms. The increase from the new forms is a program change, while the change in burden for the application due to a change in the estimate of time to fill out the application is a program adjustment.

## **16. Time Schedule, Publication and Analysis Plans**

There are no plans for tabulation, analysis, or publication of the NHSC application information. The information is used solely for determination of scholarship awards.

**17. Exemption for Display of Expiration Date**

The expiration date will be displayed.

**18. Certifications**

This project fully complies with the guidelines set forth in 5 CFR 1320.9.