

Supporting Statement A
Nursing Scholarship Program
OMB Control No. 0915-0301

A. JUSTIFICATION

1. CIRCUMSTANCES OF INFORMATION COLLECTION

This is a request for Office of Management and Budget (OMB) approval of a renewal of the Health Resources and Services Administration's (HRSA) Nursing Scholarship Program (NSP) application forms. This project is OMB Approval Number 0915-0301, and expires on September 30, 2012. The legislative authority for the NSP is the Public Health Service Act (Attachment A), Title VIII, amended by Public Law 101-205 on August 1, 2002. The purpose of the NSP is to provide scholarships to nursing students in exchange for a service commitment at an eligible healthcare facility with a critical shortage of nurses.

An applicant must be enrolled or accepted for enrollment at an accredited school of nursing in a graduate, baccalaureate, associate degree or diploma program. A student can apply for full-time or part-time enrollment. A student must be a U.S. citizen or national, free of any federal judgment liens, free from existing service commitments, and not in default of any federal debt. Scholarship applicants currently are screened in a two-stage process. First an application is submitted. Based on the review of the application, students are then identified by funding preference.

In FY 2011, the NSP awarded 395 new scholarships and 17 continuations totaling \$27.1 million. Funding for this program is expected to continue under future appropriations.

Under the NSP, students seeking to become registered nurses 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, other reasonable costs, and a stipend for living expenses. In exchange, the scholarship recipient agrees to provide full-time, or part-time if approved by the Secretary, clinical services at a health facility designated by the NSP as having a critical nursing shortage. The minimum service commitment is 2 years; the maximum is 4 years. Information regarding absences and type of health care facility at which NSP scholars are serving are necessary to ensure that NSP scholars are fulfilling their service requirements.

This is a revision with a change in the vehicle used to collect the information. The Nursing Scholarship Program utilizes the BCRS Management Information System Solution (BMISS), an IT system used to process and manage all BCRS programs.

One form has been added to this collection:

Initial Employment Verification Form: This form is needed to identify and approve the health care facilities at which new NSP scholar graduates find employment as well as when scholars transfer to a different site. This is to ensure that scholars will serve at a health care facility with a critical shortage of nurses.

In addition, the Data Collection Worksheet has been modified. The field for "All Fees" has been broken out into various categories, such as "Health Insurance", "Laboratory Fees", "and "Student Services Fee". This is necessary to ensure that the NSP is paying only for eligible fees that are required by the nursing degree program, allowing for better management of funds.

The Service Verification Form has also been modified. Questions have been deleted so that only information necessary to monitor the scholars' service commitment is collected.

2. PURPOSE AND USE OF INFORMATION

The application is needed to determine which applicants are qualified to receive scholarship awards. Applicants are selected for awards according to the criteria required by Federal statute and the funding preference of NSP. In providing contracts under the NSP, the Secretary shall give priorities to qualified applicants who demonstrate the greatest financial need. The information collected will be used by the NSP to select applicants for scholarship awards. All information is used to determine which individual applicants have a sincere desire to practice in a health care facility with a critical shortage of nurses and have a desire to remain and continue to practice after the period of service commitment. Information collected is also used to monitor NSP scholars' progress in school and in service to ensure compliance with program policies.

ONLINE APPLICATION FORM

The NSP application (Attachment B) has five sections.

Section A. Assurances and Eligibility: This section requires the applicant to assure that if awarded a scholarship the applicant will comply with the service requirements of the NSP. This section also collects information to ensure that the applicant is eligible to participate in the program.

Section B. General Information: This section collects general information needed for administrative purposes (e.g., name, address, phone number, e-mail address).

Section C. Background Information: This section collects gender, ethnicity and race information based on OMB requirements, as well as information about an alternate person to contact in case the applicant can't be contacted using information in the application.

Section D. Degree Information: This section collects information about the degree or diploma program for which the applicant is requesting a scholarship, the current status in the program, and the number of school years of funding requested. This section also collects information on the expected family contributions as indicated on the Student Aid Report submitted by the applicant.

Section E. Supporting Documents: This section allows the applicant to upload all necessary supporting documents, such as recommendation letters and essays.

Section E. Self Certification: This section requires the applicant to certify that the applicant is not presently debarred, suspended, excluded, or disqualified from participation in covered transactions by any Federal agency or department. This section also requires the applicant to certify that the applicant has read and understands the terms of the NSP program guidance.

APPLICATION PROGRAM GUIDANCE

The Application Program Guidance (Attachment C) describes the NSP program for students in training to become registered nurses. It covers applicant eligibility requirements, funding

preferences for awards, scholarship benefits, and service requirements. It also includes the administrative guidelines in effect as of March 27, 2012. The guidance has five sections.

Section I. Program Overview: This covers eligibility requirements, funding preferences, scholarship benefits, program and service requirements, and program compliance.

Section II. Instructions for Completing the Application: This covers general instructions for completing the online application, supporting documents, and deadline dates.

Section III. Definitions: This provides an alphabetical list of terms and their definitions that are contained in the application program guidance.

Section IV. Frequently Asked Questions: This provides answers to questions frequently asked in the past.

Section V. Supporting Documents: This provides the supporting documents necessary for an application to be considered complete.

CONTRACT

The contract (Attachment D) authorizes the Secretary of Health and Human Services to provide applicants selected to be participants in the Nursing Scholarship Program with scholarship awards. In return for the awards, applicants must agree to serve for a period of not less than 2 year as nurses in a health care facility with a critical shortage of nurses. The contract has six sections.

Section A. Obligations of the Secretary: This covers what the Secretary of the Department of Health and Human Services agrees to provide the selected applicant.

Section B. Obligations of the Applicant: This covers what the selected applicant agrees to provide the NSP while in training and during obligated service periods.

Section C. Breach of Scholarship Contract: This covers the liability of the applicant when there is a breach of contract.

Section D. Cancellation, Suspension, and Waiver of Obligation: This covers what happens upon the applicant's death or the conditions when the Secretary can waive or suspend an applicant's service or payment obligation,

Section E. Contract Extension: This covers the procedures to request annual extensions of contracts.

Section F. Contract Termination: This covers the procedures to terminate a contract.

DATA COLLECTION WORKSHEET

The Data Collection Worksheet (Attachment E) is completed by the scholar's academic institution through the BCRS Management Information System Solution (BMISS). The Worksheet requests the cost of tuition, required fees, and other reasonable costs for each academic year. This

information is necessary to determine the amount of the scholarship award for the payment of NSP scholar's tuition, fees, and other reasonable educational costs. The information is collected once a year for new awardees.

SCHOOL VERIFICATION FORM

The School Verification Form (Attachment F) is completed by the scholar's academic institution. The form requests information pertaining to the scholar's student status, such as full-time, part-time, repeating course work, or on leave of absence. This information is utilized to determine if the scholar is eligible for continued NSP financial support. The information is collected three times a year.

INITIAL EMPLOYMENT VERIFICATION FORM

The Initial Employment Verification Form (Attachment G) is needed to identify and approve the health care facilities at which new NSP scholar graduates find employment as well as when scholars transfer to a different site. This is to ensure that scholars will be serving at a health care facility with a critical shortage of nurses. This information is collected once, upon graduation of the nursing school, and each time a scholar requests to transfer to a different site.

SERVICE VERIFICATION FORM

The Service Verification Form (Attachment H) is completed by both the scholar and the scholar's employer. The form is necessary to monitor the successful completion of scholars' service obligations. Information on the number of days of absences is collected to see if an extension of the service obligation is needed. This is completed every six months and is completed online through the BMISS.

3. USE OF IMPROVED INFORMATION TECHNOLOGY

The Nursing Scholarship Program utilizes the BCRS Management Information System Solution (BMISS), an IT system used to process and monitor all BCRS programs. The link to the online NSP application is now done through BMISS and is available here: <https://programportal.hrsa.gov/>

The Data Collection Worksheet and Service Verification Form are now electronically completed through BMISS. Individuals are able to log-in to BMISS to fill out the necessary information online. For the Service Verification Form, information already collected previously (e.g., site address) is pre-populated so that individuals are asked only to verify for accuracy.

4. EFFORTS TO IDENTIFY DUPLICATION

The information requested in the application and forms is specific to the applicant and unique to this program. No similar information is collected from this group of individuals.

5. INVOLVEMENT OF SMALL ENTITIES

This data collection does not involve small businesses or other small entities.

6. CONSEQUENCES IF INFORMATION IS COLLECTED LESS FREQUENTLY

The online application and data collection worksheet are necessary for the selection process for making NSP awards, which 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. Moreover, the School Verification Form is required three times a year to ensure the NSP participant is maintaining good standing in the academic nursing program and is eligible to continue receiving benefits. Initial Employment Verification Form is required only once, unless the scholar requests to transfer to another site, to ensure the scholar will be serving at an eligible facility. The Service Verification Form is required twice a year to ensure participants are meeting their service requirements and to monitor the completion of the participants' service obligations.

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 60 day notice (Attachment I) required in 5 CFR 1320.8(d) was published in the *Federal Register* on April 5, 2012 (Vol. 77, No. 66, page 20645). The 30 day notice (Attachment J) required in 5 CFR 1320.8(d) was published in the *Federal Register* on June 11, 2012 (Vol. 77, No. 112, page 34390). No comments were received.

Recipients were consulted in FY 2011 for the following forms: Application, Data Collection Worksheet, Enrollment Verification, and Service Verification.

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9. REMUNERATION OF RESPONDENTS

Respondents will not receive any remuneration.

10. ASSURANCE OF CONFIDENTIALITY

Data collected on the individual NSP application form 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 and National Health Service Corps (PH/NHSC) Scholarship Training Program, the Physician Shortage Area Scholarship Program (PSASP), National Health Service Corps Scholarship Program (NHSC SP), National Health Service Corps Loan Repayment Program (NHSC LRP), NHSC Student/Resident Experiences and Rotations in Community Health (SEARCH), Nursing Education Loan Repayment Program (NELRP), Nursing Scholarship Program (NSP), Native Hawaiian Health Scholarship Program (NHHSP), and Faculty Loan

Repayment Program (FLRP), Applicants and/or Participants Records System, HHS/HRSA/BCRS (0915-0037).

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

11. QUESTIONS OF A SENSITIVE NATURE

HHS requires that race and ethnicity be collected on all HHS data collection instruments. Questions regarding race and ethnicity are asked in the online application, however responses to these questions are optional. The Social Security number is required because the amount received for the stipend and tuition payments must be reported to the Internal Revenue Service as income to the scholarship recipient. All NSP payments made to scholars, or on their behalf to nursing schools, are taxable pursuant to the legislative citation (26 USC 117(c)).

12. ESTIMATES OF ANNUALIZED HOUR BURDEN

Estimates of respondent burden are as follows:

Type of Report	Number of Respondents	Responses per Respondent	Total Responses	Hours per Response	Total Burden Hours	Wage Rate	Total Hour Cost
Application	4,000	1	4,000	2	8,000	\$15	\$120,000
In-school monitoring*	500	1	500	2	1,000	\$15	\$15,000
In-service monitoring**	600	2	1,200	1	1,200	\$15	\$18,000
Total	5,100		5,700		10,200		\$153,000

* Respondents are the academic institutions for the applicants.

**Respondents are the NSP scholars and their employers.

Basis for Estimates

The number of NSP applicants is estimated to average 4,000 per year for the next 3 years. The program expects to receive 4,000 applications; this estimate is based on the average number of applications received for the cycles from Fiscal Year (FY) 2009 to FY 2011. Each applicant must complete an application only once if selected for award.

Each academic institution will submit one Data Collection Worksheet, which lists the tuition and fees. This is used to determine the amount of the scholarship award and is submitted once. The School Verification and the Service Verification Forms are to verify that the recipients are in compliance with NSP program requirements (e.g., are enrolled in an approved nursing degree program, or are providing service as an RN at an approved health care facility with a critical shortage of nurses).

The current application requests general information, background information, and educational degree information. It is estimated that it will take an average of 2 hours to review the instructions, complete the forms, and upload the necessary documents to the NSP online application. (4,000 applicants x 2 hours/response = 8,000). The Data Collection Worksheet averages 1 hour to complete. The School Verification Form takes an average of .33 hours, and the Initial Employment Verification and Service Verification Form take an average of .5 hours to complete.

Scholarship applicants may be students and/or may be in the workforce and are accepted into a nursing degree program. Since applicant employment status is mixed, a value of \$15 per hour was estimated.

13. ESTIMATES OF ANNUALIZED COST BURDEN TO RESPONDENTS

There are no capital or start-up costs for the respondents. There are no operation or maintenance fees.

14. ESTIMATES OF ANNUALIZED COST TO THE GOVERNMENT

The average annual costs to the government for implementing the on-line application and processing are as follows:

Contract costs for on-line application:	\$243,600
Application System	373,000
Staff Review	<u>8,500</u>
Total annualized cost:	\$625,100

Contract costs for the on-line application include reviewing all application materials submitted. The initial review of the data collection worksheet, school verification and employment certification forms is estimated at 10 minutes at an hourly cost of \$30 (Processing the forms: 1700 x (1/6) hour x \$30/hour = 8,500).

15. CHANGES IN BURDEN

The change in the total burden hours is to correct for an error in the 2009 submission. The actual number of annual respondents in both collections is 5,700, but was previously reported as 5,100 in the 2009 submission (the math in table A12 of the 2009 submission was calculated incorrectly).

This is a request for a revision as the implementation of the BCRS Management Information System Solution as the vehicle to collect online applications and forms is new.

16. TIME SCHEDULE, PUBLICATION AND ANALYSIS PLANS

Approval is being requested for the maximum allowable time of three years. The information will be used solely for determining scholarship award recipients and ensure program compliance.

18. CERTIFICATIONS

This project fully complies with the guidelines set forth in 5 CFR 1320.9. The required certifications are included in this package.

LIST OF ATTACHMENTS

Attachment A: Authorizing Legislation and Regulations

Attachment B: NSP Application

Attachment C: Application Program Guidance

Attachment D: Contract

Attachment E: Data Collection Worksheet

Attachment F: School Verification Sheet

Attachment G: Initial Employment Verification Form

Attachment H: Service Verification Form