



# Faculty Loan Repayment Program

## Fiscal Year 2020

### Application and Program Guidance

May 2020

Application Submission Deadline: **June 25, 2020** , 7:30 pm ET

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Health Resources and Services Administration  
Bureau of Health Workforce  
5600 Fishers Lane  
Rockville, Maryland 20857

**For questions**, please call 1-800-221-9393 (TTY: 1-877-897-9910) Monday through Friday (except federal holidays) 8:00 a.m. to 8:00 p.m. ET.

*Authority: Section 738(a) of the Public Health Service Act (42 USC 293b (a)).  
Future changes in the governing statute, implementing regulations and Application and Program Guidance may also be applicable to Faculty Loan Repayment Program participants.*

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## Privacy Act Notification Statement

### General

This information is provided pursuant to the Privacy Act of 1974 (Public Law 93-579), as amended, for individuals supplying information for inclusion in a system of records.

### Statutory Authority

Section 738 (a) of the Public Health Service Act (PHS), (42 USC 293b (a)), as amended.

### Purposes and Uses

The purpose of the Faculty Loan Repayment Program (FLRP) is to provide loan repayment assistance to faculty members from economically and environmentally disadvantaged backgrounds with eligible health professions degrees or certificates to serve at eligible academic institutions. The goal of FLRP is to decrease the economic barriers associated with pursuing careers as academic faculty. The information that applicants supply will be used to evaluate their eligibility, qualifications, and suitability for participating in the FLRP. In addition, information from other sources will be considered (e.g., credit bureau reports).

An individual's application, required supplemental forms, supporting documentation, related correspondence, contract, and data are maintained in a system of records to be used within the U.S. Department of Health and Human Services (HHS) to monitor FLRP activities. The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, and the Government Accountability Office, and pursuant to court order and various routine uses described in [System of Record Notice 09-15-0037](#).

### Effects of Nondisclosure

Disclosure of the information sought is voluntary; however, if not volunteered, except for the replies to questions related to race/ethnicity, an application may be considered incomplete and therefore may not be considered for funding under this announcement.

## Paperwork Reduction Act Public Burden Statement

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control number for this information collection is 0915-0150 and it is valid until 08/31/2021. This information collection is voluntary. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to HRSA Reports Clearance Officer, 5600 Fishers Lane, Room 14N136B, Rockville, Maryland, 20857 or [paperwork@hrsa.gov](mailto:paperwork@hrsa.gov).

### Non-Discrimination Policy Statement

In accordance with applicable federal laws and U.S. Department of Health and Human Services policy, the Department does not discriminate on the basis of any non-merit factor, including race, color, national origin, religion, sex, sexual orientation, gender identity, disability (physical or mental), age, status as a parent or genetic information.

## Program Overview

**Please read the Application and Program Guidance (Guidance) in its entirety before proceeding with application.** The Guidance explains in detail the rights and obligations of individuals selected to participate in the FLRP. Applicants are strongly encouraged to print and retain a copy of the Guidance for future reference. The Guidance explains the contractual obligations between the U.S. Secretary of Health and Human Services (Secretary of HHS) and individuals selected to participate in the FLRP. It also includes the financial, legal and other consequences of failing to perform the mandatory service commitment associated with the FLRP award. Individuals who are unable to fulfill the two-year service obligation should not apply for a FLRP award.

An applicant may withdraw the application at any time prior to the Secretary of HHS or designee signing the FLRP contract to remain eligible to re-apply in the future. Individuals who are uncertain whether they will be able to fulfill a two-year service commitment should not apply.

**IMPORTANT: Refer to the "[Definitions](#)" provided in the "[Additional Information](#)" section of the Guidance for further explanation of terms used throughout this document.**

### INTRODUCTION

The FLRP is administered by the Bureau of Health Workforce (BHW) in the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). The FLRP provides eligible faculty members financial assistance to repay a portion of their qualifying educational loans in exchange for a full or part time service at an eligible health professions schools.

### **Benefits of the FLRP**

- (1) **Mentorship** – By joining past and current FLRP participants across the country, participants have the opportunity to educate and train the next generation of health professionals.
- (2) **Loan Repayment** – FLRP will provide funds to participants to repay a portion of their outstanding qualifying educational loans. FLRP awards a lump sum up to a maximum of \$40,000 for a two-year service obligation. Applicants are eligible to apply to FLRP if they are employed by an eligible health professions school as a full-time or part-time faculty member.
- (3) **Tax Withholding** – To assist participants in meeting their federal tax liability from receipt of loan repayment funds, FLRP withholds and pays directly to the Internal Revenue Service (IRS) an amount equal to 39 percent of the total loan repayment award, on the participant's behalf.

### ELIGIBILITY REQUIREMENTS AND AWARD PROCESS

#### **Eligibility Requirements**

To be eligible for a FLRP award, all applicants must:

- (1) Be a U.S. citizen (either U.S. born or naturalized), U.S. National or Lawful Permanent Resident, and provide documentation of their status. Acceptable documents include: a U.S. birth certificate, an unexpired U.S. passport ID page of U.S. Passport Card, a Certificate of Citizenship, a Naturalization Certificate, a state Enhanced Driver's License, or a Permanent Resident Card (Green Card). Please note that a state driver's license, health profession license, Social Security Card or valid state ID are not acceptable proof of citizenship or permanent residency.

- (2) Be from an economically or environmentally disadvantaged background. The applicant must provide certification from a health professions school previously attended that identifies the individual as coming from an economically or environmentally disadvantaged background. Applicants also have the option of submitting additional documentation to satisfy the economic or environmental factors that are listed in the “[Definitions](#)” section of the Guidance.

**Economically Disadvantaged** – An individual who comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of HHS for use in health professions and nursing programs.

**Environmentally Disadvantaged** – An individual who comes from an environment that has inhibited the person from obtaining the knowledge, skills, and abilities required to enroll in, and graduate from, an undergraduate or graduate school based on a number of factors.

- (3) Have a degree or certificate in one of the following eligible health professions disciplines:
- a. Allopathic Medicine;
  - b. Osteopathic Medicine;
  - c. Podiatric Medicine;
  - d. Veterinary Medicine;
  - e. Dentistry;
  - f. Pharmacy;
  - g. Optometry;
  - h. Nursing (Registered Nurse (RN) or Advanced Practice Registered Nurse (APRN));
  - i. Public Health (graduate level only);
  - j. Physician Assistant;
  - k. Behavioral and Mental Health (graduate level only): clinical psychology, clinical social work, marriage and family therapy, professional counseling; or
  - l. Allied Health Professions (baccalaureate or graduate level): audiology, dental hygiene, medical laboratory technology, occupational therapy, physical therapy, radiology technology, registered dietitians, respiratory therapy or speech pathology.

By the application deadline of June 25, 2020, an applicant in the final year of study or in an approved graduate training program must submit a letter of good standing from the Program Director indicating the expected date of graduation. The individual must graduate no later than June 25, 2020, to be eligible for a FLRP award.

- (4) Have an employment commitment from an eligible health professions school for a full-time or part-time (as defined by the school) faculty position for a minimum of two years with employment to commence on or before June 25, 2020. Eligible health professions schools must be located in a state or U.S. territory, and be an eligible, public or private non-profit school in:
- a. Allopathic or osteopathic medicine;
  - b. Dentistry;
  - c. Nursing (RN or APRN);
  - d. Pharmacy;
  - e. Allied health;

- f. Podiatric medicine;
  - g. Optometry;
  - h. Veterinary medicine;
  - i. Public health (graduate level);
  - j. Physician assistant; or
  - k. Behavioral and mental health (graduate programs): clinical psychology, clinical social work, professional counseling, marriage and family therapy.
- (5) Have a written agreement with an eligible health professions school that has agreed to pay principal and interest for the applicant's educational loans in an amount equivalent to the loan repayments made by HHS under FLRP. This agreement is not required if the school has submitted a request for a full or partial waiver of the match requirement. The match requirement is in addition to the salary that the faculty member will receive from the employing institution.
- (6) Applicants must provide an official agreement from the employing institution stating the type of match (full or partial) that it will provide to the employee for the two-year service period. For a partial match, the intended percentage or amount must be stated in the official agreement. For institutions that are unable to provide matching loan repayments, applicants must provide an official letter from the employer requesting a full or partial waiver with supporting documentation justifying the undue financial hardship necessary for a waiver to be granted. (See [Employing Institution Requirements](#))

Applicants are deemed **ineligible** if they:

- (1) Have any judgment liens arising from a federal debt;
- (2) Have an outstanding contractual obligation or existing service obligation, not completed by the application deadline, (*e.g.*, the National Health Service Corps Loan Repayment Program, the State Loan Repayment Program, the Nurse Corps Loan Repayment Program, the Nurse Faculty Loan Program, any local or state-sponsored loan repayment or forgiveness programs, any employer-sponsored scholarship or recruitment/retention incentive programs, or Active Duty military obligation) that will not be satisfied by the application submission deadline.

Exception - Individuals in a Reserve component of the Armed Forces, including the National Guard are eligible to participate in the FLRP

- (3) Have defaulted on any federal payment obligations (*e.g.*, Health Education Assistance Loans, Federal Housing Administration Loans, federal income tax liabilities, federally guaranteed/insured loans such as student loans or home mortgage loans) or non-federal payment obligations (*e.g.*, court-ordered child support payments);
- (4) Have defaulted on a prior service obligation to federal, state, or local government even if they subsequently satisfied that obligation through service, monetary payment, or by other means;
- (5) Had any federal or non-federal debt written off as uncollectible or had any federal service or payment obligation waived;

- (6) Are currently excluded, debarred, suspended, or disqualified by a federal agency from financial and nonfinancial assistance and benefits under Federal programs and activities;
- (7) Have a temporary, restricted or inactive health professions license.

### **Qualifying and Non-Qualifying Educational Loans**

- (1) **Qualifying Educational Loans** include government and private (commercial) loans that have a current outstanding balance for actual costs paid for tuition and reasonable educational and living expenses incurred.
- (2) **Consolidated Educational Loans** – An applicant may consolidate or refinance loans before the application deadline provided that the individual submits loan documentation for the consolidated or refinanced loans at the time of online application submission. If the loan documentation is not received by the application deadline and the consolidation loan does not appear on the online application, the consolidated or refinanced loan(s) will not be considered for repayment. The original loan dates for the consolidated or refinanced loans must coincide with the time period of the applicant's qualifying education. The consolidated/refinanced loan must be from a government (federal, state, or local) or private commercial lender and must include only qualifying educational loans of the applicant. If an applicant consolidates qualifying educational loans with other ineligible debt or with loans of another individual, the entire consolidated loan is ineligible.
- (3) **Non-Qualifying Loans** include, but are not limited to:
  - a. Loans for undergraduate or graduate education for which the supporting documentation does not identify the loan as applicable for an eligible health profession;
  - b. Loans obtained from family members or from private institutions, lenders or other entities that are not subject to federal or state examination and supervision as lenders;
  - c. Loans that have been paid in full;
  - d. Parent PLUS Loans (including **ALL** loans made to parents);
  - e. Credit card debt or personal lines of credit;
  - f. Loans subject to cancellation (*e.g.*, federal Perkins Loans, loans for faculty employment at tribal college or university; Nurse Faculty Loan Program Loans, Nursing Student Loans), **unless the applicant can provide documentation that such loans are not subject to cancellation;** and
  - g. Loans made after the applicant's qualifying health professions education.

### **Employing Institution Requirements**

The employing institution must be an eligible health professions school and must satisfy the following requirements:

- (1) **Employment Contract (required for applicants serving as non-tenured faculty members).** The employing institution must provide a contract to the applicant stating that the individual will serve as either a full-time or part-time (as defined by the school) faculty member for a minimum of two years. The contract must be submitted as part of the FLRP application;
- (2) **Letter of Employment (required for applicants serving as tenured or non-tenured faculty members).** The employing institution must provide a letter on official letterhead to indicate that

the applicant will serve as a full-time or part-time (as defined by the school) faculty member for a minimum of two years and must be submitted as part of the FLRP application; and

- (3) **Loan Repayment Agreement (LRA) or the Waiver of an Employer’s Match Loan Repayment Requirement.** The employing institution must enter into a written agreement with the applicant to match loan repayments in the same amount made by the FLRP or must request and be granted a full or partial waiver of the loan repayment requirement.
- a. **Loan Repayment Agreement.** The LRA must provide the following information:
- i. The employing institution will make payments of principal and interest due on the educational loans of the faculty member in the same amount as made by HHS under the two-year FLRP contract (the maximum amount is \$40,000 for two years);
  - ii. In addition to the loan repayments, the faculty member will receive a salary from the employing institution. The amount of the faculty member’s salary will be determined without regard to the amount of the payments made by HHS under the two-year FLRP contract.
- b. **Waiver of Employer’s Loan Repayment Match Requirement.** The Secretary of HHS or designee may waive all or part of the employing institution’s match requirement if the school submits written justification that the requirement would impose an undue financial hardship. The following are examples of documentation that would support a waiver request:
- i. Documentation of diminished financial resources (*e.g.*, consistent budget cuts, reduced earnings on endowments, or unexpected expenditures), such that payment of all or part of the matching loan repayment funds would impose an undue financial hardship; or
  - ii. Documentation showing that the institution is engaged in collective bargaining agreement(s) that prohibits such differential compensation or that would require the institution to provide a similar amount of support for faculty not covered under the FLRP.

In instances where the employing institution requests a partial waiver, the employing institution must also enter into a written agreement with the applicant to pay the remaining amount of the loan repayment match outlined in subsection (3) a. above.

- (4) **Completion of “Institution Employment/Loan Repayment Verification Form.”** The employing institution must complete the Employment/Loan Repayment Verification Form and return it to the applicant. The form provides employment information and verification that the applicant will serve as a faculty member for a minimum of two years and information regarding the institution’s ability to make loan repayments.

### Match Process

The FLRP selects loan repayment awardees based on a funding tier that determines the sequential order of awards to be made to eligible and qualified applicants. The selection tiering is based on:

- (1) Amount of matching funds provided by the applicant’s employing institution.

The match categories are as follows:

- (1) Full match of the HHS level of loan repayments
- (2) Partial match of the HHS level of loan repayments (*i.e.*, < 100% match); or



(3) No match.

Awards are made starting with full match, then partial match (from greatest percentage match to least partial match), then no match. (Please note: For the "partial match" and "no match" statuses, the applicant's employing institution must have received approval for a partial or full waiver of the matching requirement); and

(2) Employment status (i.e., within each match category, applicants working full-time are given preference over applicants working part-time).

FUNDING TIER	EMPLOYMENT STATUS/INSTITUTIONAL MATCH
First Tier	1. Full Time with Full (100%) Match 2. Part Time with Full (100%) Match
Second Tier	1. Full Time with Partial (< 100%) Match/Waiver 2. Part Time with Partial (< 100%) Match/Waiver
Third Tier	1. Full Time with No (0%) Match/Waiver 2. Part Time with No (0%) Match/Waiver

Within each tier, awards are made in order of decreasing financial need until all funds are expended. Please note, partial match awards are made in order of greatest partial match and then in order of decreasing financial need.

**Award Process**

Participants will receive a FLRP award notice and the following documents instructing them how to access the [BHW Customer Service Portal](#):

- 1) Award Letter
- 2) Site Letter
- 3) Welcome Packet
- 4) Participant Award Worksheet

The award payment is made in one lump sum approximately 60 days after the effective date of the contract. The payment is an electronic funds transfer to the participant's checking or savings account via the bank routing number identified on the banking information submitted by the participant. Participants must keep all banking information updated and current.

Participants must use all FLRP payment received to pay the lenders or holders of their qualifying educational loans.

If, for any reason, a participant does not receive a scheduled payment, contact the FLRP through the [BHW Customer Service Portal](#) or Customer Care Center at 1-800-221-9393. If the FLRP has any questions concerning a participant's eligibility for continued payments, the FLRP will delay payments pending the verification of the participant's compliance with the service obligation. Participants must immediately notify the FLRP of any changes in their service site or employment status.

Applicants selected for a FLRP award will receive an email via the [BHW Customer Service Portal](#) no later than September 30, 2020. At that time, the applicants will be required to verify that they are still working at the

eligible health professions school that is identified in the online application. **An email notifying an applicant that the applicant was selected does not guarantee a FLRP award. Once an applicant is selected for an award, the participant will be provided with information to login to the [BHW Customer Service Portal](#).**

### **Award History**

FLRP is a highly competitive program and awards are subject to the availability of funds. Historically, FLRP funds are expended prior to the funding of all eligible applications.

<b>Fiscal Year</b>	<b># of Eligible Applications Received</b>	<b># of Initial Awards Made</b>
2019	137	22
2018	164	23
2017	189	22

## UNDERSTANDING THE CONTRACT AND SERVICE OBLIGATION

### **Service Obligation**

FLRP participants will receive up to a maximum of \$40,000, for a full-time or part-time two-year service obligation.

### **Salary and Benefits**

The employing institution cannot guarantee a FLRP contract. FLRP participants will receive a salary and benefits from the employing health professions school. Employment compensation packages including salary are negotiable between the participant and the employer. Please note that FLRP loan repayments should not be a part of the compensation negotiations.

## FLRP TAXES AND FINANCIAL IMPLICATIONS

The FLRP payments are subject to federal income tax and Federal Insurance Contributions Act (FICA) taxes (Social Security and Medicare). Taxes are paid directly to the IRS on the participant's behalf. All FLRP payments and federal taxes withheld are reported to the participant and the IRS on a Form W-2 Wage and Tax Statement, after the end of the tax year.

Loan repayments may also be subject to state and local income taxes. Loan repayments paid to the participant after federal tax withholding may **only** be used to repay qualifying educational loans. HRSA does not provide tax advice, and all tax questions should be directed to a tax professional or the IRS through the TAX HELP LINE at (800) 829-1040.

You may also take advantage of the option to select and receive your Form W-2, Wage and Tax Statement electronically. To do so, you must make your request, no later than January 15, 2021. To access your W-2 electronically in your [BHW Customer Service Portal](#) account, please follow the instructions listed below.

### **Instructions for Requesting a Form W-2 Wage and Tax Statement Electronically by January 15, 2021**

1. Login to your [BHW Customer Service Portal](#) Account.

2. Under the “Need Assistance” section, select the “Set My Tax Document Delivery Preference” link.
3. Read the Agreement.
4. Select your delivery preference.
5. Click the “Submit” button.

If you do not submit a request to receive your Form W-2 Wage and Tax Statement electronically before January 15, 2021, it will be mailed to your address on file in the [BHW Customer Service Portal](#). It is critical that your name, mailing and email addresses, and banking information are kept up to date.

All online Form W-2 Wage and Tax Statements will be posted no later than January 31 of each year. If your W-2 form is not available by that date, please submit an inquiry via the [BHW Customer Service Portal](#).

Under the Treasury Offset Program, the U.S. Department of the Treasury is authorized to offset FLRP payments for delinquent federal and state debts, including delinquent child support.

**Important Notes:**

- (1) Participants must use the FLRP payments to pay the lenders or holders of their qualifying educational loans listed on the Participant Award Worksheet (PAW) provided with the award notice.
- (2) Participants can update their personal information, name changes, email and mailing addresses, telephone numbers or banking information at any time via the [BHW Customer Service Portal](#). If a participant has a name change, you must notify FLRP immediately and submit legal documentation such as a copy of a marriage certificate or court order document to ensure uninterrupted disbursements of loan repayment funds. A copy of a driver’s license is not acceptable.
- (3) Participants must also notify the FLRP of changes in employment status, including extended periods of leave. Participants must request a transfer if considering changing schools, at least one month in advance of the proposed change. Before FLRP’s consideration and approval of a transfer, the participant must comply with all eligibility requirements.
- (4) Participants who were previously awarded a FLRP contract may apply for a **new** two-year contract if they have:
  - a. Completed the previous FLRP service obligation in good standing;
  - b. Outstanding qualifying educational loans; and
  - c. Provided a payment history showing that all previously awarded FLRP funds were applied to repay approved qualifying educational loans.

SERVICE REQUIREMENTS

**Service Obligation Life Cycle**

The FLRP contract becomes effective when countersigned by the Secretary of HHS or designee. Once the FLRP contract is countersigned, a participant will receive a FLRP award notice with instructions in the [BHW Customer Service Portal](#). A FLRP participant must provide full or part-time service (as defined by the school) as a faculty member at an eligible health professions school for a period of two consecutive years beginning on the effective date of the contract. A participant’s start date will be the date the Secretary of HHS or the designee countersigns the FLRP contract, or the date the participant commences employment at the eligible health professions school, whichever is later. An applicant’s signature alone on the FLRP

contract does not constitute a contractual agreement. Employment prior to the Secretary of HHS' countersigning the FLRP contract does not count toward the fulfillment of the service obligation. Under the FLRP guidelines, a participant must fulfill the two-year service obligation at the employing institution identified in the online application. A faculty member position must primarily consist of teaching (as defined by the employing institution).

## PROGRAM COMPLIANCE

### **Worksite Absences**

No more than 7 weeks (35 workdays) of the participant's scheduled work period of 9 to 12 months per service year under the contract may be spent away from the health professions school. Any leave/absences totaling greater than 7 weeks (35 workdays) in a service year will extend the contract end date. During that time, a participant will not earn service credit.

### **Service Verification**

The FLRP verifies every six months that participants are in current compliance with the service obligation. By completing and signing the online In-Service Verification (ISV), the participant and the Point of Contact (POC) are certifying the participant's compliance or noncompliance with the full-time or part-time service requirements during the identified period. The ISV must be completed by the participant and the approved health professions school through the [BHW Customer Service Portal](#). The ISV records the total number of full-time or part-time workdays that a participant was absent, for any reason, from the health professions school during the reporting period.

Participants and the employing institution must complete the ISV within 30 days of notification that the service verification is due, and submit it through the [BHW Customer Service Portal](#). An overdue ISV may jeopardize a participant from receiving service credit and may lead to a recommendation for default. Late submission of ISVs may also impact the eligibility for a future contract.

### **Unemployment During the FLRP Service Obligation**

FLRP participants who resign or are terminated from an eligible health professions school must contact the FLRP immediately through the [BHW Customer Service Portal](#). If the participant is eligible for a transfer, the FLRP will give the participant a specific timeframe in which to obtain an offer and accept a position at an eligible health professions school. The employing institution must meet the FLRP requirements in order to obtain a transfer. It is the **participant's responsibility to obtain employment at an eligible health professions school** to fulfill their service obligation. Participants who do not secure employment within the allotted time provided by the FLRP will be recommended for default.

### **Transfer Request to Another Approved Service Site**

The FLRP expects that a participant will fulfill the service obligation at the initial health professions school. If a participant needs to transfer to another site, the participant must notify the FLRP by submitting a site change request through the [BHW Customer Service Portal](#) at least one month in advance of the proposed change. The request should include: (a) the reason for the transfer; and (b) a letter or certification from the participant's prospective health professions school verifying the eligibility of the school, including whether it is public, private non-profit, or private for-profit; and indicate what type of discipline the participant will be teaching. Participants will receive an official decision from the FLRP via the [BHW Customer Service Portal](#) regarding the approval or denial of the transfer request.

### **Breaching the FLRP Contract**

Participants should contact FLRP immediately if a situation arises in which they are potentially unable to fulfill the service obligation. The FLRP will work with participants to assist them in fulfilling the service obligation to the extent possible to avoid defaulting or breaching the FLRP contract. A participant who breaches the FLRP contract by failing to begin or complete the two-year service obligation will be recommended for default and will be liable to pay an amount equal to the sum of the following:

- (1) The amount of loan repayments paid to the participant representing any period of obligated service not completed, plus thirty-nine (39) percent of that amount (representing the amount paid and withheld for federal taxes on that amount); and
- (2) \$1,000 multiplied by the number of months of obligated service not completed.

A breach of the contract will permanently disqualify the individual from receiving future awards under the FLRP and some other federal programs.

Any amounts the United States is entitled to recover, as set forth above, must be paid within thirty (30) days from the mailing date of HHS's first demand letter. If these amounts are not repaid by the due date, interest and other delinquent charges will be assessed as provided by 45 Code of Federal Regulations Section 30.18.

Failure to pay the FLRP debt by the due date also has the following consequences:

- (1) **Report to Credit Bureaus** – The debt will be reported to the credit reporting agencies as “delinquent.”
- (2) **Debt Collection** – Any FLRP debt past due for forty-five (45) days will be referred to a debt collection agency. If the debt collection agency is unsuccessful in collecting the payment in full, the debt will be referred to the Department of Justice for enforced collection.
- (3) **Administrative Offset** – Federal and state payments due to the participant (*e.g.*, an IRS or state income tax refund) may be offset by the Department of Treasury to repay a delinquent FLRP debt. Recovery through Administrative Wage Garnishment may be enforced to repay a delinquent FLRP debt.
- (4) **Bankruptcy** – A financial obligation under the FLRP may only be discharged in bankruptcy if the discharge is granted more than seven years after the due date and only if a bankruptcy court determines that the non-discharge of the debt would be unconscionable.

### **Suspensions and Waivers**

The Secretary of HHS may, under certain circumstances, suspend (put on hold) or waive (excuse) the FLRP service or payment obligation. A written request for a suspension or waiver must be submitted through the [BHW Customer Service Portal](#). Additional supporting documentation demonstrating a compelling circumstance is required in order to process such a request.

#### **Suspension**

A mechanism that provides temporary relief to a FLRP participant who has a short-term (not permanent) circumstance that currently makes compliance with the obligation impossible, or would involve an extreme personal hardship to the participant such that enforcement of the obligation would be unconscionable. Periods of approved suspension will extend a participant's FLRP service obligation end date. Listed below are examples of service suspension categories:

- a. **Leave of Absence for Medical or Personal Reasons** – A suspension may be granted for up to one year. The participant must provide independent medical documentation of a physical or mental health disability, or personal circumstances, including a terminal illness or debilitating illness of an immediate family member (e.g., parent, child or spouse, including same-sex spouse, resulting in the participant's temporary inability to perform the FLRP service obligation. Upon receipt of the written suspension request through the [BHW Customer Service Portal](#), the FLRP will notify the participant of the instructions for submitting additional supporting documentation.
- b. **Maternity/Paternity/Adoption Leave** – Participants must notify the FLRP of pending maternity/paternity/adoption leave and provide appropriate documentation. Maternity/paternity/adoption leave up to 12 weeks will be automatically approved, if properly documented. If the participant's maternity/paternity/adoption leave will exceed 12 weeks during that service year, a suspension may be granted by the FLRP based on documented medical need or if additional parental leave time is permitted under State law.
- c. **Call to Active Duty in the Armed Forces** – Participants who are military reservists and are called to active duty will be granted a suspension, for up to one year, which may be extended, beginning on the activation date described in the reservist's call to active duty order. In addition to the written request for a suspension, a copy of the order to active duty must be submitted to FLRP. The suspension will be extended if the Armed Forces entity continues the period of active duty. The period of active military duty will not be credited toward the FLRP service obligation.

#### **Waiver**

A mechanism that permanently relieves the participant of all or part of the FLRP service obligation. A waiver will be granted only if the participant demonstrates that compliance with the obligation is permanently impossible as the result of an extreme personal hardship such that enforcement of the obligation would be unconscionable. The request must be submitted in writing to the FLRP and must specify the reason(s) the waiver is being sought. The participant is contacted directly by the FLRP regarding the medical and financial documentation necessary to process the waiver request. Waivers require a demonstration of compelling circumstances and are not routinely granted.

#### **Cancellation of FLRP Obligation**

A participant's FLRP obligation will be cancelled in its entirety in the unfortunate event of the participant's death. No liability will be transferred to the participant's heirs.

## Application Information

### APPLICATION DEADLINE

A complete FLRP online application with all required supporting documents must be uploaded and submitted **by June 25, 2020, 7:30 p.m. ET**

All decisions regarding FY 2020 FLRP applications will be made no later than September 30, 2020.

### COMPLETING AN APPLICATION

#### **Application Information**

The FLRP application consists of:

- (1) An online application,
- (2) Required supporting documentation, and
- (3) Additional supporting documentation (if applicable).

Applicants should keep a copy of the submitted application package for their records. Applicants are responsible for submitting a complete application. The information in the online application must match the submitted supporting documentation. Application packages will be initially reviewed for completeness. Application packages deemed incomplete (e.g., missing, illegible, or incomplete application materials) as of the application deadline will be deemed ineligible.

FLRP will not allow any changes to an application after the deadline of June 25, 2020. No exceptions will be considered. If a document cannot be viewed or accessed, the FLRP will not consider it when reviewing the application, which will make the entire application ineligible.

#### **Instructions for Online Application**

Before attempting to complete the online application, the FLRP recommends that applicants:

- (1) Download and complete all required Supplemental Documents and Forms;
- (2) Develop a list of all institutions (diploma school, college, university) for all loans that will be submitted for loan repayment towards the eligible health professions degrees or certifications. Applicants will be required to provide the type of degree received, the school name and address, the start and end dates of attendance, the graduation date, if applicable; and
- (3) Develop a Curriculum Vitae (CV) or Resume which documents all education, training, and degrees accounting for all periods of employment since the completion of the eligible health professions education.

#### *Materials Needed to Apply*

To apply to the FLRP, applicants must submit an application package consisting of:

- (1) **ONLINE APPLICATION**

Applicants are required to complete each of the sections below to be able to submit an online application. The information collected in the online application will provide an initial ranking of your application based on funding preferences.

**(2) REQUIRED SUPPORTING DOCUMENTATION**

It is the applicant's responsibility to upload all required supporting documents with the online application by **7:30 p.m. ET on June 25, 2020**. Failure to submit a complete application package by the deadline **will deem the applicant ineligible** for consideration of a FLRP award. Applicants must upload all supporting documents at the time of the online application submission.

*Supporting Documentation*

- (1) **Employment Contract.** *(Required only if the applicant is serving as a non-tenured faculty member.)* The applicant must submit a copy of the contract to validate the full-time or part-time employment with the academic institution. The contract should document the individual's effective start and end dates, in addition to the base salary. If the employment contract is not submitted at the time of application, the faculty member will be ineligible for the FLRP.

**OR**

**Letter of Employment.** The applicant must submit a letter of employment on an official school letterhead to validate full-time or part-time employment for a minimum of two years at an eligible health professions school.

- (2) **Proof of U.S. Citizenship, U.S. National or Lawful Permanent Resident.** A copy of a U.S. birth certificate; certificate of citizenship or naturalization; unexpired U.S. passport; U.S. Passport Card, state Enhanced Driver's License or Green Card will be accepted as proof of U.S. citizenship or status of a U.S. National or Lawful Permanent Resident. A state driver's license, health professions license, Social Security Card, and non-driver's ID are not proof of U.S. citizenship or status of a U.S. National or Lawful Permanent Resident.
- (3) **Proof of Disadvantaged Background.** An official document on school letterhead from the health professions school previously attended by the applicant, signed and authorized by a program or school administrator indicating that the applicant was economically or environmentally disadvantaged (see [Definitions](#) section).
- (4) **Health Professions Degree or Certificate.** Applicants must provide a copy of official health professions degree(s) or certificate(s) as awarded by the eligible institution(s). The document must include the applicant's name, type of degree, date conferred, and signature by an authorized Program Director, dean, or other school official.

**OR**

**Letter of Good Standing.** For applicants in the final year of approved graduate training or study, an official letter from the Program Director indicating the expected date of graduation.

- (5) **Curriculum Vitae/Resume.** Applicants must submit a Curriculum Vitae (CV) or Resume, documenting all education, training, degrees, and accounting for all time periods of employment since the applicant's completion of a qualifying health professions education.



- (6) **Transcripts.** Applicants must submit transcript(s) from each college, university or health professions school attended for all health professions education coursework directly related to the attainment of their degree(s) or certificate(s), if the applicant is seeking repayment for educational loans incurred while attending that institution. The transcript must state the applicant's name, name of the institution, dates of attendance, and courses taken. If a degree was obtained, the transcript must include the type of degree and the date it was conferred or the applicant must provide another appropriate document with this information (e.g., a copy of a diploma). Unofficial and official transcripts are acceptable.
- (7) **Employer's Agreement to Loan Repayment Match/Request for a Waiver of the Loan Repayment Match.** The applicant must submit the documentation outlined in (a), (b) **or** (c) below:
- a) A copy of the employer's written agreement to pay the applicant a loan repayment amount equal to the FLRP loan repayment amount;
  - b) A request from the applicant's employer for a full waiver requirement to match the FLRP loan repayment amount with supporting documentation of undue financial hardship; **OR**
  - c) A request from the applicant's employer for a partial waiver requirement to match the FLRP loan repayment amount with supporting documentation of undue financial hardship and a copy of the employer's written agreement to pay the applicant the remainder of the loan repayment match amount.
- (8) **Authorization to Release Information Form.** The applicant must provide a handwritten signature only (an electronic signature is not acceptable.) Applicants should download the "Authorization to Release Information" form from the online application. Applicants must fill out, sign and upload the form to the application. .
- (9) **Institution Employment/Loan Repayment Verification Form.** The applicant's employer must fill out this form and return it to the applicant. The form must be uploaded and submitted with the online application.
- a) Name of the Institution refers to the employing university or college where the applicant will work to fulfill the FLRP service obligation.
  - b) Employment start date is the actual date the applicant begins working at the employing institution. Faculty employment prior to the effective date of the FLRP contract will not count toward the fulfillment of the two-year service obligation.

The applicant's employer or designated human resources officer's name, title, mailing address, phone, email, signature and the date of signature are required on the form.

- (10) **Loan Documentation.** All loan documentation must come from the lender. Please review the types of qualifying and non-qualifying loans (see [Eligibility Requirements](#) section). Applicants must include all loans for undergraduate and graduate education they wish to be considered for repayment. Applicants who have multiple loans with the same servicing lender, must enter documentation for each loan. All loan documents should include the applicant's name and other identifiable information including account numbers.

To successfully complete all FLRP loan documents, you must include all the identifiable

information, name, lenders' name(s) and account number(s) on all your loan documentation. For each loan, provide the following:

- a) Account statements must be current within 30 days of the date of the application and contain:
- Applicant's Name
  - Lender's Name(s)
  - Account Number
  - Current Balance (Principal and Interest)

To obtain a copy of your account statements, please visit the lender's website or call your lender.

- b) Disbursement Report must contain:
- Type of Loan
  - Original Loan Date
  - Original Loan Amount
  - Consolidation Dates If Applicable

**Note:** For federal loans, visit [National Student Loan Data System \(NSLDS\)](#)

For private commercial loans, the documents that provide disbursement information are:

- Promissory notes
- Disclosure statements
- Letters directly from the lender containing the pertinent information

Applicants may obtain disbursement information for private loans from the lender's website or can contact the lender. **All documentation must come from the lender.**

**Please Note:** Loans subject to cancellation (*e.g.*, Perkins loans) are not eligible under FLRP unless the applicant can provide documentation that these loans are not subject to cancellation.

<b>Loan Type</b>	<b>Account Statement</b>	<b>Disbursement Report</b>
<b>Individual Federal Loans</b>	The most recent account statement for each loan showing the current balance. Call or visit your lender's website.	The main page of your Aid Summary Report from the NSLDS website ONLY. If you have multiple federal loans, only one report is required for submission.
<b>Consolidated Federal Loans</b>	The most recent account statement for each consolidation loan that has a current balance. Call or visit your lender's website.	An Aid Summary Report from the NSLDS website. Only one report is required for submission; it must clearly show <b>all</b> loans in the consolidation.
<b>Individual Private Loans</b>	The most recent account statements for each loan that has a current balance. Call or visit your lender's website.	A disbursement report(s) from the lender, showing the loan type, original loan amount and original loan date. You may need to submit more than one type of disbursement report per loan to meet the requirements.
<b>Consolidated Private Loans</b>	The most recent account statement for each consolidation loan that has a current balance. Call or visit your lender's website.	A disbursement(s) report clearly showing <b>all</b> the loans in the consolidation. Each loan must have its original loan amount and the original loan date indicated.
<b>Any loans that are subject to cancellation</b>	The most recent account statements for each loan with a current balance. Call or visit your lender's website.	A disbursement report(s) from the lender, showing the loan type, original loan amount and original loan date. You may need to submit more than one type of disbursement report per loan to meet the requirements.
	Documentation from the school showing that the loans are not subject to cancellation <b>OR</b> Documentation from the current lender indicating that the loans were consolidated and paid off.	

(11) **Previous Payment History** (If applicable). Applicants who were previously awarded a FLRP contract and have applied for a **new two-year contract** must submit a payment history from their lenders/holders for each loan that was included on the PAW for their previous two-year FLRP contract. The document must include the lender's name, account holder's name, and account number, and must reflect that the total award received was applied to the previous approved loan(s). Payments made to loans prior to the original FLRP service start date will not be considered.

### **Application Review and Award Process**

Upon completion and submission of the online application, applicants will receive an email confirming a successful submission. Applicants are strongly encouraged to upload all supporting documents in a PDF format to expedite processing of the application. You will be able to view the uploaded documents; **it is the applicant's responsibility to ensure that the information uploaded is accurate and viewable.** When uploading documents to your online application, please be sure that they do not exceed 5MB as the system cannot handle larger documents. Multiple-paged documents should be scanned and saved into one document.

FLRP frequently corresponds with applicants by email and via the [BHW Customer Service Portal](#). It is critical that applicants identify and maintain a current email address. Please check your emails during the application process for correspondence from the FLRP and remember to disable all SPAM blockers and to check your SPAM folder for emails.

### **Change in Job Status During the Application Process**

Applicants may switch to a position at another eligible health professions school prior to submitting their online application and still be considered for a FLRP award. However, the employment information in the online application **must** match the information on the Institution Employment/Loan Repayment Verification Form. Therefore, if an applicant changes jobs and the online application is not updated, or a completed Institution Employment/Loan Repayment Verification Form is not uploaded from the corresponding facility by the deadline submission date, the applicant will not be considered for an FLRP award.

### CONFIRMATION OF INTEREST

Award finalists are notified by a Confirmation of Interest (COI) email to log into their application account in the [BHW Customer Service Portal](#) to confirm their continued interest in receiving an award, and to confirm whether the employment information provided to HRSA on their FLRP application remains valid.

The electronic signature has the effect of a handwritten signature, and once countersigned by the Secretary of HHS or designee, obligates the applicant to a FLRP service commitment. If the applicant does not respond to the FLRP by the deadline provided, the offer of award expires and is offered to another alternative applicant. The COI is not a guarantee that the individual will receive an award, as funding depends on appropriations by Congress.

In addition, applicants must provide direct deposit banking information in the event they receive a contract.

Applicants who no longer wish to receive FLRP award must log into their [BHW Customer Service Portal](#) account and check the "decline" box on the COI. Once an applicant declines the offer of award, the award will be offered to an alternate applicant. A decision to decline the award is final and cannot be revoked under any circumstances.

If an individual selected for an award decides not to accept the award after signing the contract, the individual should notify the FLRP immediately through the [BHW Customer Service Portal](#).

If the Secretary or designee has not yet countersigned the contract, the individual will not incur a service obligation or any penalty for withdrawing;

If the Secretary or designee has already signed the contract, the individual has a legally binding contract to complete the service obligation. Withdrawing from the program without penalty is not an option.

If an applicant fails to commence service on the effective date of the contract, the applicant will be in breach of the contract, placed in default, and will be permanently disqualified from receiving future awards under the FLRP and some other federal programs.

## Additional Information

### RESOURCES FOR APPLICANTS

#### **Customer Care Center**

Any individual with questions about the FLRP may contact the Customer Care Center Monday through Friday (except federal holidays), 8:00 a.m. to 8:00 p.m. ET.

- 1-800-221-9393 (TTY – 1-877-897-9910)

#### **BHW Customer Service Portal**

The [BHW Customer Service Portal](#) is a web-based system that allows FLRP participants to communicate with the FLRP staff to make certain requests (e.g., suspensions, transfers, waivers), and to access the 6-month ISV Form. Once an applicant is selected for an award, the individual is provided with instructions for establishing an account.

#### **FLRP Social Media**

- [HRSA Facebook](#)

### DEFINITIONS

**Confirmation of Interest (COI)** - an email to confirm the applicant has continued interest in receiving an award, and the employment information provided on the FLRP application remains valid. The COI is not a guarantee that the individual will receive an award, as funding depends on appropriations by Congress.

**Default of Payment Obligation** – More than 120 days past due on the payment of a financial obligation.

**Default of Service Obligation** – Failure to begin or complete a FLRP contractual service commitment.

**Disadvantaged Background** – An individual certified by the health professions school (previously attended by the applicant) as having come from a “disadvantaged background” based on economic or environmental factors.

**Economically Disadvantaged** – The individual comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price index, and adjusted by the Secretary of HHS, for use in health professions and nursing programs. Receipt of Pell grants is considered proof of an economic disadvantaged background.

**Environmentally Disadvantaged** – The individual comes from an environment that has inhibited the person from obtaining the knowledge, skill, and abilities required to enroll in, and graduate from, an undergraduate or graduate school based on factors including, but not limited to, the following:

- Graduated from (or last attended) a high school from which a low percentage of seniors received a high school diploma;
- Graduated from (or last attended) a high school at which, many of the enrolled students are eligible for free or reduced price lunches;

- Comes from a family that receives public assistance (e.g., Temporary Assistance to Needy Families, Supplemental Nutrition Assistance Program, Medicaid, public housing);
- Comes from a family that lives or lived in an area that is designated under section 332 of the Public Health Service Act as a Health Professional Shortage Area or is designated as a Medically Underserved Area;
- Participated in an academic enrichment program funded in whole or in part by the Health Careers Opportunity Program, authorized by section 739 of the Public Health Service Act;
- Did not complete high school but received an Adult High School (AHS) Diploma or General Educational Development or has received or is receiving public assistance;
- Comes from a school district where fifty (50) percent or less of graduates go to college or where college education is not encouraged;
- Is the first generation to attend college;
- Has a diagnosed physical or mental impairment that substantially limits the person's participation in educational experiences and opportunities offered by the college;
- For whom English is not the primary language and took a Test of English as a Foreign Language (TOEFL) before entering health professions school; or
- Was accepted to the health professions program after academic reassessment at the completion of remedial courses. Graduated from (or last attended) a high school from which a low percentage of seniors received a high school diploma;

**Existing Service Obligation** – An obligation which is owed to, and provided for, under an agreement with a federal, state, or local government or any other entity. Examples are the National Health Service Corps Loan Repayment or Scholarship Programs, Nurse Corps Loan Repayment or Scholarship Programs, State Loan Repayment Program, BHW Nurse Faculty Loan Repayment Program, any local or state-sponsored loan repayment/ forgiveness program, any employer-sponsored scholarship or recruitment/retention incentive programs, or an Active Duty military obligation. The Public Service Loan Forgiveness Program is not considered a service obligation.

**Family and Family Member** – For the purposes of the FLRP, “family member” and “family” include spouses, as well as unmarried domestic partners (both same-sex and opposite sex), including those in civil unions or similar formal relationships recognized under state law as something other than a marriage.

**Federal Direct Student Loans** – A student loan offered by the federal government that has a low interest rate for students and is used to pay for costs of education after high school. The lender of the Federal Direct Student Loan is the U.S. Department of Education, rather than an institution such as a bank.

**Federal Judgment Lien** – A lien that is placed against an individual's home or property when a court-ordered judgment is entered against the individual for an unpaid federal debt (e.g., a federal student loan or a federally insured home mortgage). An IRS tax lien that is not created pursuant to a court-ordered judgment is not a federal judgment lien.

**Fiscal Year (FY)** – The federal fiscal year (FY) is October 1 through September 30.

**Government Loans** – Loans made by federal, state, county or city agencies authorized by law to make such loans.

**Health Resources and Services Administration** – An operating agency of the U.S. Department of Health and Human Services.

**Holder** – The commercial or Government institution that currently holds the promissory note for the qualifying education loan (e.g. Sallie Mae, Pennsylvania Higher Education Assistance Agency).

**Lender** – The private commercial or government institution that initially made the qualifying educational loan (e.g., Department of Education). As used in this Guidance, the term “Lender” also includes “holder,” which is the private commercial or government institution that currently holds the promissory note for the qualifying educational loan (e.g., Sallie Mae, PHEAA, etc.).

**Participant Award Worksheet (PAW)** – A detailed payment disbursement report reflecting all the participant’s approved loans that qualify for repayment under the FLRP award. Payment received by the participant can only be applied to the loans listed on the PAW.

**Point of Contact (POC)** - An official at a health professions school who is the applicant's immediate supervisor or an authorized agent of the human resources department at the service site.

**Private (Commercial) Loans** – Loans made by banks, credit unions, savings and loan associations, insurance companies, schools, and other financial or credit institutions that are subject to examination and supervision in their capacity as lenders by an agency of the United States or of the state in which the lender has its principal place of business.

**Qualifying Educational Loans** – Government and private (commercial) loans for actual costs paid for tuition and reasonable educational and living expenses related to the undergraduate or graduate education of the participant. Such loans must have been incurred prior to the application deadline, and there must be documentation to support that the loans were contemporaneous with the education received. Participants will receive funds for repayment of qualifying educational loans that are still owed. If the applicant has consolidated qualifying educational loans with any other debt or consolidated the loans with loans of another individual, the consolidated loan is ineligible.

**Reasonable Educational Expenses** – The costs of education, exclusive of tuition, such as fees, books, supplies, clinical travel, educational equipment and materials, licensing exams, which do not exceed the school’s estimated standard student budget for educational expenses for the applicant's degree program and the year(s) of enrollment.

**Reasonable Living Expenses** –The costs of room and board, transportation and commuting costs, and other costs which do not exceed the school’s estimated standard student budget for living expenses at that school for the participant’s degree program and for year(s) of enrollment.

**Spouse/ Marriage** – For the purposes of the FLRP, “spouse” includes same-sex married couples as well as opposite-sex married couples. In accordance with the Supreme Court decisions in *United States v. Windsor* and in *Obergefell v. Hodges*, the Department of Health and Human Services will treat as valid marriages of same-sex couples. The term “spouse” does not include individuals in registered domestic partnerships, civil unions, or similar formal relationships recognized under state law as something other than a marriage.

**State** – Includes the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, Territory of American Samoa, Territory of Guam, Republic of Palau, Republic of the Marshall Islands, and Federated States of Micronesia.



**Suspension** – A temporary status. A suspension of the service or payment obligation will be granted if compliance with the obligation by the participant (1) is temporarily impossible or (2) would involve a temporary extreme hardship such that enforcement of the obligation would be unconscionable. All requests for a suspension must be submitted in writing via the [BHW Customer Service Portal](#) and be supported by full medical, financial, or other relevant documentation, where applicable.

**Transfer** - Upon a written request and written FLRP approval, participants may transfer to another eligible health professions school that falls in the same funding preference tier that the individual was initially awarded in, or higher.

**Waiver (Employer)** – The employing institution’s matching requirement may be waived by the Secretary of HHS or designee in full or part, as the Secretary of HHS or designee determines, based on documentation submitted by the employing institution, that the requirement will impose an undue financial hardship on the employing institution.

**Waiver (Participant)** – A permanent status. A waiver of the service or payment obligation will only be granted if compliance with the obligation by the participant (1) is permanently impossible or (2) would involve a permanent extreme hardship such that enforcement of the obligation would be unconscionable. All requests for a waiver must be submitted via the [BHW Customer Service Portal](#) and the compelling circumstances required must be supported by full medical, financial, or other relevant documentation, where applicable.