# Supporting Statement Faculty Loan Repayment Program (FLRP) Application OMB Control No. 0915-0150 - Revision

Note: HRSA requests a change in the OMB control number to 0906-XXXX, since 0915 is a prefix for HSA (the old name for HRSA).

**Terms of Clearance:** None

#### A. Justification

# 1. Circumstances of Making the Collection of Information Necessary

This is a revision request of the Office of Management and Budget (OMB) for continued approval of the information collection requirements and application form for the FLRP under OMB Control No. 0915-0150 expiring March 31, 2024. Responsibility for the FLRP program resides in the Bureau of Health Workforce (BHW), Health Resources and Services Administration (HRSA), Department of Health and Human Services (HHS).

The FLRP is governed by section 738(a) of the Public Health Service Act (42 U.S.C. 293b). The purpose of the FLRP is to recruit individuals from an economically and environmentally disadvantaged background who have a health professions degree or certificate to serve as faculty members in eligible, accredited health professions schools by offering to make payments on qualifying education loan(s). The FLRP is administered to those individuals available to serve as full-time or part-time faculty members.

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

All FLRP application information and forms are electronic and are used to determine the applicants' eligibility and the verification of existing undergraduate and/or graduate health professional educational loans.

# 2. Purpose and Use of Information

The applicant completes and submits an electronic application that identifies for the Secretary that the applicant comes from an economically or environmentally disadvantaged background who has a contract with an eligible health professions school to serve as a full-time or part-time faculty member for a minimum of 2 years and has qualifying outstanding educational loans. In addition, for each undergraduate and/or graduate loan for which repayment is sought, the applicant is required to submit loan documentation verifying the establishment of the educational loan(s) and lender account statements, promissory notes including the original date, and current balance of the outstanding educational loan(s). After a thorough review of all applications, participants are selected.

The information is needed to determine applicants are in compliance with requirements of the FLRP contract and that the evidence submitted is satisfactory to the Secretary before entering into an agreement for repayment of undergraduate and/or graduate health professions loans.

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

# 3. Use of Improved Information Technology

Currently all FLRP materials are available on the Internet. FLRP Application and Program Guidance and application materials have been integrated into a website for easier access by the public. Program staff members are available to answer inquiries via telephone and e-mail. The website provides the purpose and goal of the program. The program overview, eligibility and employer requirements are featured as well as Frequently Asked Questions. The FLRP materials are easily accessible 24-hours a day. During the application cycle, the application can also be accessed from the website listed below.

FLRP Website: https://bhw.hrsa.gov/loansscholarships/flrp

#### 4. Efforts to Identify Duplication

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

# 5. Impact of Small Businesses or Other Small Entities

No small businesses will be involved in this study.

#### 6. Consequences of Collecting the Information Less Frequently

The FLRP requests the information once from each applicant. Without this information, the Program would be unable to determine the applicant's eligibility. There are no legal obstacles to reduce the burden.

#### 7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5(d)(2)

This request fully complies with the regulation.

#### 8. Comments in Response to the Federal Register Notice/Outside Consultation

A 60-day Federal Register Notice was published in the *Federal Register* on September 5, 2023, Vol. 88, No. 170; pp. 60693-60694. There were no public comments. A 30-day Federal Register Notice was published in the Federal Register on November 16, 2023, Vol. 88, No. 170; pp. 78758-78759.

#### Section 8B:

This program has consulted with five (5) individuals 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 straightforward. There were no suggestions for improvement.

# 9. Explanation of Any Payment/Gift to Respondents

Respondents will not receive any payments or gifts.

# 10. Assurance of Confidentiality Provided to Respondents

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

A Privacy Act Notification Statement is included on the FLRP website which describes the purpose of the information collection and the potential disclosures. A Privacy Act System of Records, #09–15–0037, have been established for the FLRP, HHS/HRSA/BHW.

#### 11. Justification for Sensitive Questions

Questions regarding race and ethnicity are asked in the online application; however, responses to these questions are optional. The disclosure of the applicant's Social Security Number (SSN) is required by section 4 of the Debt Collection Act of 1982 (26 U.S.C. 6103) and the applicant provides this on the online application. The disclosure of the Social Security Number is required for participation in the program, since the amounts repaid to lenders must be reported to the Internal Revenue Service as "other income" on IRS Form 1099. Safeguards are followed concerning the use of the SSN in the Privacy Act of 1974 (5 U.S.C. 552a note).

# 12. A. Estimates of Annualized Burden Hours

| Type of<br>Respondent | Form Name  | No. of<br>Respondent<br>s | No.<br>Responses<br>per<br>Responden<br>t | Total<br>Response<br>s | Average<br>Burden<br>per<br>Respons<br>e (in<br>hours) | Total<br>Burde<br>n<br>Hours |
|-----------------------|--|---------------------------|---|------------------------|--|------------------------------|
| Applicant             | Eligible<br>Applications                           | 215                       | 1   | 215                    | 1.0  | 215                          |
| Institution           | Institution/ Loan Repayment Employment Form        | 215*                      | 1   | 215                    | 1.0  | 215                          |
| Applicant             | Authorization<br>to Release<br>Information<br>Form | 215                       | 1   | 215                    | 0.25   | 53.75                        |
| Institution           | Disadvantage<br>d Background<br>Form               | 215                       | 1   | 215                    | 0.20   | 43                           |
| Total                 |  | 860                       |   |                        |  | 526.75                       |

<sup>\*</sup>Respondent for this form is the institution for the applicant.

Burden estimates were derived from information provided by applicants and institutions completing the required application package and forms. The application and employment forms require 1 hour each to complete. Authorization to Release Information required 15 minutes to complete or 0.25 hour. The Disadvantaged Background Form required 12 minutes to complete or 0.20 hour. The hour-burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

#### 12. B. Estimated Annualized Burden Costs

| Type of Respondent                                  | Total<br>Burden<br>Hours | Hourly<br>Wage<br>Rate** | Total<br>Respondent<br>Costs |
|---|--------------------------|--------------------------|------------------------------|
| ***Mid-level Education Administrator                | 258.00                   | \$96.10                  | \$24,793.80                  |
| *Mid-level Health Specialties Teacher,<br>Secondary | 268.75                   | \$96.44                  | \$25,918.25                  |
| Total   | 526.75                   |                          | \$50,712.05                  |

<sup>\*</sup>Based on the following: <a href="https://www.bls.gov/oes/current/oes251071.htm">https://www.bls.gov/oes/current/oes251071.htm</a>. The Health Specialties Teacher, Secondary is the best approximation of the type of respondent that would be completing the online application and the authorization to release forms.

# 13. <u>Estimates of other Total Annual Cost Burden to Respondents or Record Keepers/Capital Costs</u>

Other than their time, there is no cost to respondents.

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

| Instrument                                | Base Pay<br>Rate              | Base Pay Rate (x1.5)             | Project<br>Time<br>per FTE | Number<br>of FTEs | Total<br>Annual<br>Cost |
|---|-------------------------------|----------------------------------|----------------------------|-------------------|-------------------------|
| FLRP                                      | \$103,619/<br>GS-12<br>Step 4 | \$155,428.50/<br>GS-12<br>Step 4 | .15                        | 10                | \$233,142.75            |
| FLRP<br>Online<br>Application<br>Contract | \$ 58,917.28                  |                                  | •••••                      |                   | \$ 58,917.28            |
| Total                                     |                               |                                  | •••••                      |                   | \$292,060.03            |

Base Pay Rate based on the Office of Personnel Management Pay Scale: (<a href="https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/DCB.pdf">https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/DCB.pdf</a>). Base Pay Rate multiplied by 1.5 to account for overhead costs, the total annual cost is based off the base pay rate multiplied by 1.5.

The annual cost to the government is approximately \$58,917.28 for the contract costs for the online application system and \$155,428.50 for 10 GS-12 Step 4 employees at a 0.15 FTE rate to process the applications and facilitate team members in the loan repayment process for a total of \$292,060.03.

<sup>\*\*</sup>This figure is the annual median wage divided by 2080 hours, and then doubled to account for benefits and overhead costs.

<sup>\*\*\*</sup>Based on the following: https://www.bls.gov/oes/current/oes119033.htm. Respondent for this form is the institution for the applicant.

# 15. Explanation for Program Changes or Adjustments

The estimated total burden for this activity is approximately 526.75 hours with the current burden hour inventory being 456. The estimated burden hours percentage change from the current Notice of Action to the revised estimated burden hours reflects an increase of 15.5% which is a difference of 70.75 hours. This is due to an increase in the number of respondents/applicants to the FLRP.

For this revision, minor grammatical updates were completed on all three forms. The certification options on the Certification Regarding Disadvantaged Background form were updated for clarity. The format of the Institution Employment/Loan Repayment Verification Form was updated for clarity and included separating out questions regarding certification of minimum intended employment duration. Additionally, two fields were added - teaching discipline and match amount, which are requirements of the program that were previously verified by other documents submitted. By including these fields on the employment verification form, applicants will not need additional documentation.

# 16. Plans for Tabulation, Publication, and Project Time Schedule

Statistical data related to the FLRP has been published and can be obtained at the following website: <a href="https://data.hrsa.gov/data/download?data=SCH#SCH">https://data.hrsa.gov/data/download?data=SCH#SCH</a>. Data is published at the end of each fiscal year upon reconciliation of awards data on October 1st.

#### 17. Reason(s) Display of OMB Expiration Date is Inappropriate

The OMB number and expiration date will be displayed on every page of every form/instrument.

#### 18. Exceptions to Certification for Paperwork Reduction Act Submissions

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