

# HRSA

Health Resources & Services Administration

**NURSE CORPS**  
Caring for communities in need

# NURSE Corps Scholarship Program

**School Year 2018-2019  
Application & Program Guidance  
May 2018**

Application Submission Deadline: June 14, 2018, 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 PM ET, or [fill out our web form](#).

*Authority: Section 846(d) of the Public Health Service Act (42 United States Code 297n(d)), as amended.*

FDA Number 93.303

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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 846(d) of the Public Health Service (PHS) Act (42 USC 297n(d)), as amended.

### **Purposes and Uses**

The purpose of the NURSE Corps Scholarship Program (NCSP) is to provide scholarships to nursing students in exchange for a minimum two-year full-time service commitment (or part-time equivalent), at an eligible health care facility with a critical shortage of nurses. The information that applicants supply will be used to evaluate their eligibility, qualifications and continued compliance for participation in the NCSP. In addition, information from other sources will be considered (e.g., credit bureau reports).

An individual's contract, application, required supplemental forms, supporting documentation, related correspondence 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 NCSP activities. The information may also be disclosed outside the Department, consistent with the routine uses outlined in the [System of Record Notice](#).

### **Effects of Nondisclosure**

Disclosure of the information sought is voluntary; however, an application lacking full responses will be considered incomplete and will not be considered for funding under this application.

## **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 current OMB control number. The current OMB control number for information collected through this application process is 0915-0301 and the expiration date is 05/31/2018. Public reporting burden for this collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, 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 Office, 5600 Fishers Lane, Room 14N39, Rockville, Maryland 20857.

### **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 this Application and Program Guidance (APG) in its entirety before proceeding with an application. The APG explains in detail the incurred tax burden, as well as the rights and obligations of individuals selected to participate in the NURSE Corps Scholarship Program (NCSP). A complete understanding of the commitment to serve at an eligible health care facility with a critical shortage of nurses and the financial, legal, and other consequences of failing to perform that commitment is critical to successful completion of the mandatory service obligation associated with any NCSP Award.***

### INTRODUCTION

The NCSP is a competitive program administered by HHS' Health Resources and Services Administration (HRSA). HRSA improves the health of underserved and vulnerable populations by strengthening the health workforce and connecting skilled professionals to communities in need. The NCSP embraces this mission through the administration of the scholarship program. The NCSP hopes that participants will remain at their service sites and continue serving those in need even after the service commitment is fulfilled.

With this as HRSA's guiding principle, the NCSP's purpose is to provide scholarships to nursing students in exchange for a minimum two-year full-time service commitment (or part-time equivalent), at an eligible health care facility with a critical shortage of nurses.

Applicants are strongly encouraged to explore the types of nursing opportunities that exist in eligible critical shortage facilities before applying to the NCSP. Upon graduation and licensing all participants must fulfill their service obligation at an eligible health care facility and in the discipline, Registered Nurse (RN) or Nurse Practitioner (NP), for which they were funded. (See *Service Requirements* section).

There is a lack of behavioral health training for advanced practice registered nurses (APRNs).<sup>1</sup> Currently, more than 50 percent of patients get treated for behavioral health issues by their primary care provider (PCP); however, most PCPs have not received adequate training in behavioral health.<sup>2</sup> Nurse Practitioners (NPs) have a broader scope of practice, including behavioral health, which increases access to care. HRSA reserves up to 50 percent of NURSE Corps Scholarship Program funds for the education of NPs; with up to 20 percent of total program funding targeting NPs specializing in Psychiatric-Mental Health. The goal of this approach is to support providers who are well-positioned to combat the opioid epidemic.

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<sup>1</sup> American Hospital Association. "[The State of Behavioral Health Workforce](#)" available online. (2016)

<sup>2</sup> Weil, Thomas P. "Insufficient Dollars and Qualified Personnel to Meet United States Mental Health Needs." *The Journal of Nervous and Mental Disease* 203.4 (2015)

The benefits of the NCSP are:

1. **Service.** NCSP participants have the opportunity to increase access to care by delivering nursing services in eligible health care facilities with a critical shortage of nurses.
2. **Scholarship.** NCSP provides the following:
  - a. Funds to support nursing school tuition and eligible fees;
  - b. An annual payment for other reasonable costs (ORC) to cover expenses for books, clinical supplies, and instruments; and
  - c. Monthly stipends to cover living expenses.

### AWARD INFORMATION

The NCSP provides a scholarship to students that covers various costs, but also has some limitations:

1. **Tuition and Required Fees (Permissible and Impermissible Uses)**
  - a. **Tuition and eligible required fees paid directly to the nursing school.** The nursing school or the school's authorized financial office must submit an invoice to the NCSP for payment of tuition and fees for each term. Any fees on the invoice that are already included in the ORC (discussed below) will not be approved for payment to the nursing school.
  - b. **Summer sessions.** NCSP will only pay tuition and fees for required courses in summer school sessions when:
    - (1) summer session is an academic term normally required by the school for all students in the same program, and
    - (2) the summer session is in progress during the participant's contract period.
  - c. **Repeated coursework.** The NCSP will not pay tuition and fees for repeated coursework for which the NCSP has previously made a payment (e.g., cost of the repeated course, overload fees). If the repeated course work does not delay the participant's graduation date, the scholarship payments for other tuition and fees may continue.

The decision to continue scholarship payments while a participant is repeating coursework will be made at the discretion of the NCSP. Participants who must repeat coursework should immediately contact the NCSP via the [BHW Customer Service Portal](#),<sup>3</sup> as failure to do so could result in the cessation of monthly stipend payments or other actions from the NCSP.

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<sup>3</sup> This web-based system allows NCSP participants to communicate with NCSP staff and manage customer service inquiries.

- d. **Increases in tuition or required fees.** Payments for any increases in tuition or required fees that are reported by the school after the award has been made are not guaranteed and are subject to the availability of funds.
- e. **Attending more than one school.** For participants enrolled in programs that require taking classes at more than one school/campus, please be advised that payments will only be made to other institutions that have degree program agreements with the nursing institution as indicated on the NCSP and only for courses required as part of the degree program.
- f. **Required courses.** The NCSP will not pay for additional courses beyond those required for graduation. In addition, the NCSP will not pay for tuition costs or fees unrelated to the degree/program, such as loan processing fees, penalty or late fees, and other similar expenses.
- g. **Transfers to other academic institutions are strongly discouraged.** Transfers to other academic institutions are strongly discouraged once the applicant has been accepted into the NCSP. Transfers will be considered on a case-by-case basis and *only* for exceptional circumstances.

Transfer requests must include a completed Verification of Acceptance (VOA) and or Enrollment Verification Form (EVF) as appropriate, by the school to which the transfer request is being made, and be approved by the NCSP in advance to ensure continued eligibility for funding.

Scholarship awards are based on the cost of attendance at the initial school of record for all school year contracts executed during the Fiscal Year 2018 application cycle. If a transfer is approved, the NURSE Corps Scholarship Program will not cover any increase in tuition and/or fees for the new institution; the participant will be responsible for the difference. Changes in the *type* of nursing program **will not** be approved.

## 2. **Other Reasonable Costs (ORC)**

The ORC is a single annual payment provided directly to each NCSP participant to assist in covering the cost of books, clinical supplies/instruments, and uniforms. The payment is based on information obtained directly from the institution regarding the approximate cost of these items and is determined independently for each application.

ORC payments are determined prior to the disbursement of the scholarship award, cannot be adjusted or changed, even if additional expenses arise, and will vary from student to student depending on the student's program and graduation date.

The ORC payment will be reduced proportionately for students who plan to attend less than a full school year (e.g., December graduates) and for part-time students.

### 3. Stipend

For the 2018-2019 academic year, the NCSP will pay each full-time student a monthly stipend of \$1,363 (which will be reduced after federal income and FICA taxes are deducted). A part-time student will receive a proportionately reduced stipend amount.

The stipend payments may be delayed or placed on hold if requested NCSP documents—invoices, enrollment verification forms, transcripts, etc.—have not been received. Stipend payments may also be stopped if a student is repeating coursework that has already been paid for by the NCSP or if the repeated coursework results in a change in registration status (Full Time/Part Time). (See *Changes in Scholarship Payments* section for more information.)

Stipend payments will stop the month the nursing course work is completed, upon graduation, or when the NCSP contract terminates for any reason, whichever comes first.

## ELIGIBILITY REQUIREMENTS AND AWARD PROCESS

### Eligibility Requirements

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

1. Be a U.S. citizen (either U.S. born or naturalized), U.S. National, or a Lawful Permanent Resident.

**Please note:** A permanent resident card, driver's license, marriage certificate, or social security card is **not** acceptable as proof of U.S. Citizenship or U.S. National status. Failure to provide the appropriate documentation will result in an ineligible application. Documentation requirements can be found in the Required Supporting Documentation Section.

2. Be enrolled or accepted for enrollment as a full-time or part-time student in an accredited nursing degree program at one of the following:
  - **AN ASSOCIATE DEGREE SCHOOL OF NURSING:** A department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.
  - **A COLLEGIATE SCHOOL OF NURSING:** A department, division, or the administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to a degree of bachelor of arts, bachelor of science, bachelor of science in nursing (BSN), graduate

degree in nursing, or to an equivalent degree, and including advanced training related to such program of education provided by such school.

- **A DIPLOMA SCHOOL OF NURSING:** A school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to an equivalent evidence of completion.

The following Bridge and Direct Entry Nursing Programs are eligible for an award: non-nursing bachelor's degree to Master of Science in nursing (MSN)/NP, RN to MSN/NP, RN to BSN bridge programs, and Doctor of Nursing Practice programs. Applicants may be enrolled in an on-line program as long as they are NOT self-paced programs, the curriculum requires in-person clinical rotations, and all other programmatic guidelines are met. Students enrolled in Licensed Practical Nurse programs, combined degree, and dual degree programs are not eligible for a scholarship award.

3. Be enrolled in or accepted for enrollment in a school of nursing (as outlined above) located in a state, the District of Columbia, or a U.S. Territory (Please see the *Definition Section* for more information). A student attending a school outside of these areas is not eligible for the NCSP, even if the student is a citizen/national/lawful permanent resident of the United States.
4. Begin taking classes for the nursing degree program in which you are enrolled or accepted on or before September 30, 2018.
5. Submit a complete application and signed contract with no encumbrances. Specifically, even with a completed application and signed contract, an applicant will be deemed *ineligible* if the applicant:
  - a. **Has any current or past judgment liens** against his or her property arising from a debt owed to the United States;
  - b. **Defaulted on a prior service obligation** to the federal government, a state or local government, or other entity, even if the applicant subsequently satisfied that obligation through service, monetary payment, or other means.
  - c. **Is excluded, debarred, suspended, or disqualified** by a federal agency; or
  - d. **Has an existing service obligation.** An applicant who is already obligated to a federal, state, or other entity for professional practice or service after academic training is not eligible for a NCSP award.

An exception may be made if the entity to which the obligation is owed provides documentation that there is no potential conflict in fulfilling the service commitment to the NCSP and that the NCSP service commitment will be served first.

A NCSP participant who subsequently enters into another service commitment and is not immediately available after completion of the participant's degree to fulfill



his/her NCSP service commitment will be subject to the breach-of-contract provisions described in the *Breaching the Contract* section of the APG. Participation in a program with a previous service commitment that has been met will not bar participants from applying to the NCSP.

Among eligible applicants, the NCSP determines scholarship awardees using various selection factors and funding preference.

### **Selection Factors**

The following selection factors will be considered when determining scholarship awardees:

1. **A history of not honoring a prior legal obligation.** A NCSP applicant who has a history of not honoring a prior legal obligation, including a service payment obligation, as evidenced by one or more of the following factors, *may not* be selected for an award:
  - a. Default on any federal payment obligations (e.g., student loans, student service obligation, federal income tax liabilities, mortgages) or non-federal payment obligations (e.g., court-ordered child support payments); or
  - b. Write-off of any federal or non-federal debt as uncollectible.
2. **Academic performance.** Applicant must meet all academic requirements as required by his or her school/program.
3. **Response to essay questions.** Demonstrates a thorough commitment to a career in nursing; interest/motivation in providing care to underserved communities and vulnerable populations; and relevant work experience and/or activities (e.g., community service, research, and internships) that have prepared the applicant to work with underserved populations.
4. **Resume/Curriculum Vitae.** Summarizes educational qualifications, work experience, and volunteer/community service in chronological order.
5. **Recommendation letters.** Provides a detailed description of the applicant's performance in school; education/work achievements; community/civic or other non-academic achievements; demonstration of ability to work and communicate constructively with others; and interest and motivation to serve underserved populations through work experience, course work, special projects and research.

### **Funding Preference**

There is a funding preference for applicants with the greatest financial need. An applicant's financial need is determined based on the applicant's Expected Family Contribution (EFC), which is provided on the Official Student Aid Report (SAR) generated through the Free Application for Federal Student Aid (FAFSA). Applicants with an EFC between \$0 and \$5,328 will be considered as having the greatest financial need. The FAFSA's SAR is calculated by the Department of Education and NOT by the NCSP.

Among qualified applicants with the greatest financial need (i.e., applicants with an EFC between \$0 and \$5,328), awards will be made based on the following tiers:

1. Applicants enrolled or accepted for enrollment in an accredited diploma, undergraduate nursing program or accredited graduate level nurse practitioner program, including nurse practitioners specializing in Psychiatric-Mental Health, registered as full-time students for every consecutive term.
2. Applicants enrolled or accepted for enrollment in an accredited graduate nursing program for Doctor of Nursing Practice programs, programs for certified nurse midwives, certified registered nurse anesthetists, clinical nurse specialists, or psychology specialist as full-time students for consecutive terms.
3. Applicants enrolled or accepted for enrollment in an accredited diploma, undergraduate or graduate nursing program as part-time students, as determined by school's registrar.

### **Anticipated Awards**

For the 2018-2019 academic year, the NCSP is expected to be highly competitive. The Program anticipates more applicants for scholarship awards than there are funds available. It is expected that approximately 225 new and continuation awards will be made for the 2018-2019 academic year.

In the past, NCSP funds have been sufficient to only reach applicants in the first Tier. Once an applicant has been selected for an award, the applicant will be provided with information for logging into the [BHW Customer Service Portal](#). This web-based system will allow NCSP participants to communicate with the NCSP staff and to manage several customer service inquiries, such as contact information changes.

Please note that NCSP participants may be subject to changes in the statute and/or policies of the NURSE Corps Scholarship Program that occur after receipt of award.

### **Federal Pipeline Programs**

Federal pipeline programs are designed to enhance educational opportunities and increase the number of students from disadvantaged backgrounds to progress from elementary through post-undergraduate levels.

These programs offer an array of academic enrichment activities and services to better prepare disadvantaged students to successfully graduate from a health professions school. You will be requested to select all federal pipeline programs that you have participated in at any point in your educational journey when completing the NCSP application and you will be required to submit official documentation of your successful completion of the identified federal pipeline program.

1. U.S. Department of Education (ED)
  - [Federal TRIO Programs](#)
  - [Promising Neighborhoods Program](#)
  - [Student Support Services](#)
  - [Educational Opportunity Centers](#)
  - [Talent Search](#)

- [Upward Bound](#)
  - [Upward Bound Math-Science](#)
  - [Veterans Upward Bound](#)
  - [Gaining Early Awareness and Readiness for Undergraduate Programs \(GEAR UP\)](#)
2. HHS/Health Resources and Services Administration (HRSA)
    - [Health Careers Opportunity Program \(HCOP\)](#)
    - [Centers of Excellence \(COE\) Program](#)
    - [Area Health Education Centers Program](#) (AHEC)
    - [Health Profession Opportunity Grant](#) (HPOG)
    - National Workforce Diversity Pipeline Program (NWDP)
  3. HHS/National Institutes of Health (NIH)
    - [Community Health Worker Health Disparities Initiative](#)
  4. National Science Foundation
    - [Tribal Colleges and Universities Program \(TCUP\)](#)
    - [Alliance for Graduate Education and the Professoriate \(AGEP\)](#)
    - [Historically Black Colleges and Universities - Undergraduate Program \(HBCU-UP\)](#)
  5. Other Federal Pipeline Programs (the application will provide an opportunity to fill in other programs not identified above).

## UNDERSTANDING THE CONTRACT AND SERVICE OBLIGATION

### **Contract Period**

The NCSP award and contract is for the 2018-2019 academic year (July 1, 2018 – June 30, 2019). Any funding provided after June 30, 2019, is considered another contract year. Any additional school years (Optional Contracts) requested by the applicant and agreed to by the Secretary of HHS (HHS Secretary) or his/her designee is indicated in the executed contracts.

Support will be provided during the academic years agreed to in the executed contracts (not to exceed four years), beginning with the 2018-2019 academic year and will be based on the cost of the initial school of record (i.e., the school attended at the time the initial contract is executed). Scholarship funding may not be deferred. Awards are for consecutive academic terms.

### **Additional Support after Receipt of Awards**

Additional scholarship support will only be provided for the same nursing degree that the NCSP participant's original contract was funded. To request additional scholarship support for the 2018-2019 academic year or any subsequent academic years, the NCSP participant must submit a signed contract for that academic year and a report verifying that he/she is still in an acceptable level of academic standing.

The participant will not need to reapply for scholarship support under the APG. The participant may also request optional contracts for subsequent academic years while pursuing the same nursing degree, program, and specialty on the original contract through graduation for a

maximum of four academic years of support. The NCSP will notify the participant when this submission is due.

The granting of continuation awards depends upon the availability of funds for the NCSP and is contingent upon the participant's:

1. Continued eligibility to participate in the NCSP (e.g., acceptable level of academic standing, not repeating coursework, etc.). Please be advised that a credit check will be conducted as part of the eligibility process;
2. Compliance with policies and procedures established by the NCSP for requesting continued support; and
3. Past compliance with program policies and requirements.

Participants requesting continued support must be able to support themselves financially until the scholarship benefit payment schedule can be reinstated. If a continuation award is granted, the first payment may not be received until mid-November, but it will include stipends retroactive to July 1 and the annual ORC payment. See the *Tuition, Required Fees, Other Reasonable Costs and Stipend* section for more information.

### Service Obligation

All participants incur, at a minimum, a two-year full-time service obligation (or part-time equivalent) and may have a longer service obligation, as set forth below. Service obligations must be served under the degree for which the participant was funded and in an eligible facility as defined below.

Participants are encouraged to begin searching and applying for open positions as soon as possible. Participants have up to nine months from the date of graduation to obtain a nursing license, accept an offer of employment from an NCSP-approved CSF and commence full-time (or, if approved, part-time) work providing clinical services at the CSF.

*Participants who sign "Full-Time Student" contracts* incur an obligation to provide one year of full-time service for each full or partial school year of support received beyond two years as set forth in the table below. For example, a student who receives a full year of support (12 months) the first school year, a partial year of support (6 months) the second school year, and a full year of support the third school year will owe the equivalent of three years of full-time clinical service. If a participant receives support for one year or less, there is **still** an obligation to serve two years.

Years of Scholarship Support	Years of Service Obligation
Up to 1 Full-Time School Year (2018-2019)	2 Years Full-Time
Up to 2 Full-Time School Years (2018-2020)	2 Years Full-Time
Up to 3 Full-Time School Years (2018-2021)	3 Years Full-Time
Up to 4 Full-Time School Years (2018-2022)	4 Years Full-Time

*Participants who sign “Part-Time Student” contracts will have their part-time enrollment aggregated to determine the full-time equivalent.*

### **Contract Termination**

The HHS Secretary or his/her designee may terminate a NCSP contract for an academic year if, on or before June 1 of the school year, the participant:

1. submits a written request to terminate his/her contract for that academic year; and
2. repays all amounts paid to, or on behalf of, that participant (pre-tax tuition, stipends and ORC) for that academic year.

If a participant meets these requirements and the contract is successfully terminated, he or she will no longer have a service obligation ***for that school year***. Please note, however, that if a participant received NCSP support for one or more prior school years, he or she will still owe service in return for those prior years of support.

**Additionally, if a NCSP participant does not meet the requirements to terminate, and the contract remains in effect, he/she will incur a minimum two-year service commitment for the full or partial year of support received, as set forth in the “Program Requirements” Section of this APG. The requirements above apply to requests for terminating the initial/first contract as well as any optional contract(s).**

### NCSP TAXATION

**Please note: the ENTIRE NCSP award is taxable, including tuition, fees, ORC, and monthly stipend payments.**

Under Section 117 of the Internal Revenue Code, scholarship amounts received as payment for services required as a condition of the scholarship *are* taxable income. HHS will withhold federal income tax and the “employee” share of FICA tax from ALL components of the award. Withholding income and employee FICA tax from tuition payments means that portions of a participant’s award may be reduced as a result. If the amount withheld does not cover your tax obligations, you are responsible for paying the remainder to the IRS. We suggest participants and potential participants speak with the financial advisor at their nursing school for the financial options that may assist with covering any unpaid costs.

All of the NCSP funds disbursed to participants, *or to their school on their behalf*, will be reported to the IRS on a Form W-2. Please note that state and/or local taxes are not withheld from any of the NURSE Corps Scholarship payments.

Any participant who wants additional funds withheld to cover the income tax on his or her award should indicate the additional amount to be deducted on the appropriate line on the W-4.

NCSP participants should consult their local tax authority regarding any additional tax obligations. Please note that HRSA does not provide tax advice, and any questions should be directed to a tax professional or the IRS through the TAX HELPLINE at 800-829-1040.

Please see the NCSP *Tax Update Frequently Asked Questions* section.

## **PROGRAM REQUIREMENTS WHILE IN SCHOOL**

### **General Requirements**

1. **Maintain Enrollment.** The NCSP participant must maintain enrollment in the nursing program until the program is complete. Every NCSP participant must verify his/her enrollment status through the BHW Customer Service Portal for each term (e.g., semester, quarter). Additionally, an appropriate school official must certify the participant's full-time (part-time, if approved) enrollment, and the participant must submit a transcript after the add/drop date at the beginning of each term of the courses and credit hours for which the NCSP will receive an invoice. The participant must also upload an unofficial or official transcript at the end of every semester. Participants who fail to complete and submit their enrollment verification through the BHW Customer Service Portal each academic term could jeopardize their scholarship and stipend. Participants not in compliance with the enrollment requirements may be recommended for default.

If a participant's school does not offer enough courses for the participant to enroll full-time, he/she will have to forfeit the scholarship, which will result in the contract being cancelled. An exception is granted if it is not the participant's first term as a new awardee and if the school has granted an official leave of absence. In this case, the participant must provide official documentation from the school confirming the leave of absence. During this leave of absence, the participant will not be eligible to receive stipend or ORC payments, but can apply to have his/her stipend and ORC reinstated at the conclusion of the leave of absence.

2. **Maintain an Acceptable Level of Academic Standing.** A scholarship participant must be in an acceptable level of academic standing. When applicants are on academic probation, they are not considered to be in an acceptable level of academic standing by the NCSP. All other determinations of an acceptable level of academic standing are made by each school. Please note that participants who do not meet the acceptable level of academic standing requirements will be recommended for default.
3. **Notify NCSP of Any Changes in Enrollment Status.** A participant is required to notify the NCSP through the BHW Customer Service Portal as soon as one of the following events is anticipated:
  - a. A repeat of any coursework;
  - b. A change in graduation date;
  - c. A leave of absence approved by the school;

- d. Withdrawal or dismissal from school;
- e. A change from full-time student status as determined by the school's registrar, to a less than full-time student status for participants who sign "Full-Time Student" Contracts.
- f. A change from part-time student status as determined by the school's registrar, to a more than part-time student status for participants who sign "Part-Time Student" Contracts.
- g. Voluntary withdrawal from courses during an academic term; or
- h. A transfer to another school or program.

These events could have an adverse impact on a participant's receipt of NCSP payments. Participants may be placed in default and may have to repay the support they received if they fail to notify HRSA of any change in status.

### **Additional Funding Provided by an Alternative Source**

Receipt of the NCSP award does not automatically preclude an applicant from receiving funds from other programs, as long as *no service obligation* is involved. Applicants should contact their financial aid officer to determine how the receipt of a NCSP award may affect the receipt of other sources of funding.

#### 1. Financial Aid Received Before Notice of Award

##### *Grants and Scholarships*

If tuition and eligible fees for the academic year have been paid by another source of financial aid (e.g., Pell Grant, state grants or other scholarships) before the student receives notice of the NCSP award, then the school may:

- a. Return payments to the funding source and submit an invoice to the NCSP for payment.
- b. Submit an invoice itemizing all additional sources of funding if the participant wishes to keep these grants and/or scholarships. The NCSP will pay the difference between the total tuition and the grant/scholarship funds.

##### *Loans*

If a NCSP participant has taken out a student loan to cover the cost of tuition and fees for his/her summer and/or fall 2018 semester(s), while waiting for notice of a NCSP award, the student's academic institution should:

Provide an itemized invoice to the NCSP detailing the total amount of tuition and eligible fees, all grants/scholarships applied and a complete list all student loans. The NCSP will pay the academic institution the tuition/fees invoiced less the amount of grants and scholarships applied.

#### 2. Financial Aid Received After Notice of Award

If a student receives financial aid to pay tuition and fees from sources other than NCSP after he or she has received notice of the NCSP award, the school will be instructed not to submit an invoice to the NCSP for costs that have already been covered by the other

source of financial aid, including grants and scholarships. If the other source of financial aid covers the full cost of tuition and fees, the school should submit documentation stating that it will not be seeking payment for the term. However, if a balance remains, then the school may submit an invoice for the balance remaining. Please note this section only relates to financial aid/loans that are used for tuition and fees. The amount of the student's NCSP award is not affected if the student collects financial aid/loans for non-tuition expenses such as cost of living expenses. However, the invoice must demonstrate the use of the financial aid/loan before the NCSP determines the amount to pay for tuition and fees.

**NOTE:** As of January 2018, the NCSP will also withhold federal income tax owed on the other components of the award (i.e., payment for tuition and fees), and we will withhold the "employee" share of the Federal Insurance Contributions Act (FICA) tax. Additionally, all funds disbursed to scholars, or schools on a participant's behalf, will be reported to the IRS on Form W-2. Upon accepting the NCSP award, participants should work closely with their financial aid office to ensure any tuition costs not covered by the NCSP award due to tax withholding are addressed.

#### **Circumstances that may affect Scholarship Payments**

The following situations may result in a change or cessation of the NCSP's payment of tuition and/or stipend:

1. **Changes in Enrollment Status.** A change in enrollment status may result in a discontinuation of tuition and stipend payments. A participant must promptly notify the NCSP, through the BHW Customer Service Portal, if one of the events listed below is anticipated or occurs. If a change in enrollment status has already occurred, the participant must submit a letter from the school verifying the status change through the BHW Customer Service Portal.
  - a. Repeat course work for which the NCSP has already made payments. The NCSP may continue payments for stipends and all other non-repeated course work, provided that the participant continues to meet all other NCSP requirements;
  - b. A change in the participant's graduation date. This may affect funding and contract end date;
  - c. A leave of absence approved by the school. All payments will be discontinued during the approved leave of absence and may be terminated if the student does not return to school;
  - d. A withdrawal or dismissal from school. All payments will be discontinued and the scholar will also be placed in default;
  - e. A change from full-time student status to a less than full-time student status for a participant who signs a "Full-Time Student" Contract. All tuition and stipend payments may be discontinued. An exception may be made if the participant is in his or her final academic term. In such instances, a participant with a student status change may receive scholarship support as long as the participant maintains



enrollment and an acceptable level of academic standing and does not change the graduation date.

- f. A voluntary withdrawal from courses during an academic term. All payments will be discontinued; or
- g. A transfer to another school or nursing program (See below).

2. **Changes in Schools/Programs.** Changes in schools or nursing programs are strongly discouraged once the applicant has been accepted into the NCSP. Changes in schools/programs must be approved in advance by the NCSP to ensure continued eligibility for funding and will be considered only for exceptional circumstances.

Scholarship awards are based on the cost of attendance at the initial school of record for all school year contracts executed during the Fiscal Year of the application cycle for which the award was made.

If a transfer is approved, the NCSP will not cover any increase in tuition and/or fees for the new institution; the participant will be responsible for the difference. Changes in *type* of nursing program and type of degree program **will not** be approved. **Participants must perform their Service Obligation in the nursing capacity (degree program) for which their scholarship was funded even if they change schools or programs.**

3. **Delinquent Federal and State Debt.** Under the Treasury Offset Program, the U.S. Department of the Treasury (Treasury) is authorized to offset a student's NCSP payments if the student is delinquent on a federal debt. In addition, the Treasury is authorized to offset NCSP in response to a student's state debts, including delinquent child support payments.
4. **NCSP Program Overpayments.** NCSP payments received by a participant, including payments made to a school on the participant's behalf, during periods in which the participant is on an approved leave of absence, is repeating course work, or is otherwise ineligible to receive payments are considered overpayments.

Overpayments may also occur due to administrative error. A participant receiving an overpayment should immediately contact the NCSP through the BHW Customer Service Portal to make arrangements to promptly return all overpayments, as such overpayments will be viewed as a debt owed to HHS which will trigger HHS' debt collection procedures, as required by 45 CFR Part 30.

Debt collection procedures include: sending delinquent overpayments to a debt collection agency, reporting the overpayments to credit reporting agencies, offsetting federal and/or state payments due to the participant (e.g., federal income tax refund) to collect the overpayments, recovery through Administrative Wage Garnishment, and/or referral of the overpayments to the Department of Justice for enforced collection. For participants who receive subsequent funding under the NCSP and who previously

received any overpayments that have not been repaid, the overpayments will be collected through administrative offset. The NCSP will withhold scholarship funds payable to, or on behalf of, the participant (including stipends, ORC payments, and, if necessary, tuition payments) until the overpayment owed is paid in full. Administrative offset is not a repayment option for NCSP participants who wish to terminate a contract.

5. **Resumption of Benefits.** To resume tuition and stipend payments discontinued under existing scholarship contracts, NCSP participants must submit documentation from their school official confirming that they are now eligible to receive scholarship support (e.g., not repeating course work, returned from a leave of absence, resumed full-time student status, etc.).

Requests for the resumption of scholarship benefits must be sent to the NCSP via the BHW Customer Service Portal. They will be considered on a case-by-case basis by the NCSP to determine the participant's eligibility to receive additional award funding going forward. For participants who have not repaid overpayments determined to be debts owed to HHS, the resumption of scholarship benefits will be subject to the administrative offset described in the *NCSP Overpayments* subsection above.

For participants whose tuition and stipend payments were discontinued due to their withdrawal or dismissal from school or due to their transfer to an ineligible program or school, tuition and stipend payments will not be resumed.

6. **Veteran Benefits.** Educational benefits from the U.S. Department of Veterans Affairs generally continue along with NCSP funds. Scholarship benefits may be reduced to reflect funding received under the Post-9/11 G.I. Bill.

Questions or concerns regarding changes in scholarship payments should be directed to the BHW Customer Service Portal.

Please be advised that if the NCSP has any questions concerning a participant's eligibility for continued support, the NCSP reserves the right to delay any award payments to that participant pending clarification of the participant's continuing eligibility and status.

## **PROGRAM REQUIREMENTS WHILE IN POSTGRADUATE TRAINING**

### **Postgraduate Training Eligibility**

RN and NP scholars may request a deferment (i.e., postponement) of their NCSP service obligation in order to complete a postgraduate residency/training program approved by the NCSP. Scholars will have the option to complete a residency program for an approved specialty that must be consistent with the specialty for which the NCSP awarded funding. The postgraduate training program **cannot** exceed one year in length.

**In order to remain in compliance with the NCSP, eligible scholars must: 1) obtain their license and 2) start their postgraduate training no later than six months after graduation. Post-residency scholars have three months to commence employment before being considered non-compliant with contract terms and being at risk of default.**

Scholars may pursue only the postgraduate training that the NCSP has officially approved and may not make any changes to the type or length of postgraduate training without prior approval from the NCSP, as failure to do so may result in breach of contract and a recommendation for default. Scholars who have not requested or have not been granted service deferment to complete a postgraduate nursing residency program are required to begin their NCSP service obligation upon degree completion as outlined in the *Understanding the Contract and Service Obligation* section.

To gain approval from HRSA to enter a postgraduate residency/ training program, scholars must submit a written request for deferment of their service obligation to the NCSP at the beginning of their final school term before graduation. The written request **MUST** include, or provide as an attachment, a detailed description of the Residency Program. The NCSP will review the Postgraduate Training Deferment Request and either approve or disapprove the request.

Scholars will not receive NCSP financial support during their approved postgraduate training, nor will they incur any additional NCSP service obligation as a result of the service deferment. Additionally, HRSA will not credit any periods of postgraduate training toward satisfying a participant's service obligation even if the training occurred at an eligible Critical Shortage Facility (CSF) located in a Health Professional Shortage Areas (HPSA).

### **Scholar/Participant Requirements While in Postgraduate Training**

To remain in compliance with program requirements, scholars must pursue only the postgraduate training that the NCSP has officially approved and may not make any changes to the type or length of postgraduate training without prior approval from the NCSP. They are required to notify the NCSP in writing, within 30 days, of their new mailing address and/or any changes that affect their training status. After graduation, scholarship participants who enter NCSP nurse residency training programs that are not preapproved will be out of compliance with the program requirements, and will be subject to the actions described in *Breaching the Contract* section of this APG.

Participants who withdraw or are terminated from the NCSP approved postgraduate residency/training program are required to notify the NCSP immediately, and begin service as required in the *Service Obligation* section. Failure to take these steps will lead to default, and participants who default on their NCSP service obligation incur the damages described in the *Breaching the Contract* section of this APG.

## SERVICE REQUIREMENTS

**By accepting the scholarship award, participants are entering into a contract with the federal government, and are required** to practice at an eligible CSF located in, designated as, or serving a mental health or primary care HPSA with a score of 14 or higher at the time an offer has been made. Participants must refer to a CSF's **most recent** HPSA score when selecting a service site, and refer to the APG for the year of scholarship award to be sure they select a CSF that meets the minimum HPSA requirement for their service. Participants will be provided with information about the NCSP CSF site search process during the course of their program.

**The NCSP must approve the site where the participant wishes to complete his/her service prior to the commencement of employment in order to receive service credit.** There is no guarantee that HPSAs or CSFs that are eligible during a scholar's training will still be eligible at the time scholars are available to serve.

### Service Requirements

#### 1. Obtain a license

Within six (6) months of graduation as an RN or if appropriate, as an advanced practice nurse) and prior to commencing service at a CSF, NCSP participants must be permanently licensed to practice in the state where they will be serving. In addition, advanced practice nurses are required to pass a national certification examination for their specialty (that is administered by a nationally recognized certifying body) prior to commencing service.

- a. Credit towards fulfillment of the service commitment will not be given in the absence of a current, unencumbered permanent license in the state of service. A participant whose license becomes encumbered must notify HRSA immediately through the BHW Customer Service Portal.
- b. Service credit will NOT be given until the NCSP has received documentation that all licensure and certification requirements have been met. Documents should be uploaded to the BHW Customer Service Portal.
- c. Responsibility for obtaining the required state license (and national certification exam, if applicable) prior to the service start date rests with the NCSP participant.
- d. NCSP participants are expected to take the appropriate licensure/certification exams at the earliest possible date.
- e. If the participant is unsuccessful in obtaining a license or passing the certification exam(s) within six (6) months of his or her graduation date, the participant should immediately contact the NCSP through the BHW Customer Service Portal to request a suspension. See the *Suspension and Waiver* section in this Guidance.

#### 2. Obtain a Position at a Critical Shortage Facility

In order to receive service credit, NCSP participants will have up to nine (9) months from their date of graduation to (1) accept an offer of employment and (2) commence full-time (or approved part-time) employment in the nursing capacity for which their

scholarship was funded, with a NCSP-approved CSF (see boxed section under the list of *Critical Shortage Facilities*).

Participants must contact the NCSP prior to accepting employment to ensure the facility and position is eligible. The NCSP reserves the right to grant final approval of all service locations to ensure a participant's compliance with all requirements related to the service obligation.

### 3. **Perform Full-Time or Part-Time Clinical Service**

Participants may satisfy their service obligations either on a full-time or, with written approval from the HHS Secretary or his /her designee, a part-time basis.

- a. *Full-Time clinical practice* is defined as a minimum of 32 hours per week. At least 26 hours per week must be spent providing clinical services or direct patient care at the approved site. The remaining 6 hours may be spent on administrative or other non-clinical activities.
- b. *Part-Time clinical practice* is defined as a minimum of 16 hours per week and up to a maximum of 31 hours per week. Participants wishing to serve part-time **must first** obtain approval from NCSP and must extend their service obligation so that the aggregate amount of service performed will equal the amount of a full-time service obligation. At least 80 percent of the hours each week must be spent providing clinical services, or direct patient care, to patients. For example, a nurse scheduled to work 20 hours per week must spend at least 16 hours per week providing clinical services.
- c. *Absences*. Under the NCSP, participants are not permitted to take more than 35 workdays per service year of leave from the approved service site for any reason, including for vacation, holidays, continuing professional education, or illness. If a participant has a medical or personal emergency that will result in an extended period of absence, he/she must request a suspension of the NCSP service commitment. The NCSP will consider all requests, but cannot guarantee that a suspension request will be approved. If a suspension is requested and approved, the participant's service commitment end date will be extended accordingly. If the request is not approved, the participant will be placed in default.

**Note:** The information provided above pertains to compliance with the NCSP service obligation only. NCSP service sites are private entities, and participants are responsible for confirming leave/absence policies with their specific employer.

### 4. **Verify Initial and Ongoing Employment During Service Obligation**

Every NCSP participant who has completed school and is entering into his/her service obligation by providing clinical nursing services must have his/her initial employment verified through the BHW Customer Service Portal before being placed on duty and then every six (6) months until his/her service obligation has been fulfilled. In this process, an authorized official at the NCSP-approved CSF must certify the initial terms of employment and the site type where the participant will work. In addition, the site

official must verify the participant's compliance with the full-time or part-time service requirement during each 6-month period, and indicate whether the participant is non-compliant with any requirement. The service verification process is also the mechanism to record the participant's approved leave from the CFS.

**Participants may be recommended for default of their service obligation for failure to: (1) obtain an unencumbered license; (2) accept an offer of employment from a NCSP-approved facility; (3) commence full-time (or approved part-time) clinical services at the facility within nine (9) months of their date of graduation; or (4) verify their employment. Participants who default on their NCSP service obligation incur the damages described in the *Breaching the Contract* section of this APG.**

### **Critical Shortage Facilities (CSF)**

NCSP participants must provide full-time (or if approved, part-time) clinical service in an eligible CSF. For the purpose of the NCSP, CSF is defined as a health care facility located in, designated as, or serving a primary care or mental health HPSA.

CSF Types are defined as follows:

#### **1. Hospitals**

- a. **Critical Access Hospital (CAH).** A facility certified by the Centers for Medicare & Medicaid Services (CMS) under section 1820 of the Social Security Act (SSA). In general, a CAH must be located in a rural area in a state that has a Medicare Rural Hospital Flexibility Program, maintain no more than 25 inpatient beds and an average annual length of stay of 96 hours or less, furnish 24-hour emergency care services 7 days a week, and be located either more than a 35-mile drive from the nearest hospital or CAH, or more than a 15-mile drive in areas with mountainous terrain or only secondary roads.
- b. **[Disproportionate Share Hospital \(DSH\)](#).** A hospital that has a disproportionately large share of low-income patients and receives an augmented payment from the state under Medicaid or a payment adjustment from Medicare. Hospital-based outpatient clinics are included under this definition.
- c. **Public Hospital.** Any hospital that is owned by a government (federal, state, or local), receives government funding, and is primarily engaged in providing the following care, by or under the supervision of physicians, to inpatients: (a) diagnostic and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons; or (b) rehabilitation of injured, disabled, or sick persons. U.S. Department of Veterans Affairs hospitals are also allowable entities under this category. State psychiatric hospitals must use facility HPSAs to determine site eligibility - population and geographic HPSAs cannot be used.
- d. **Private Hospital.** A private nonprofit entity primarily engaged in providing the following care, by or under the supervision of physicians, to inpatients: (a) diagnostic and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons, or (b) rehabilitation of injured, disabled, or sick persons.

## 2. Outpatient Clinics

- a. **Federally Qualified Health Center (FQHC).** FQHCs include: (1) nonprofit entities that receive funding under section 330 of the PHS Act to provide primary health services and other related services to a population that is medically underserved (including Community Health Centers (CHCs), Migrant Health Centers, Health Care for the Homeless Health Centers, and Public Housing Primary Care Health Centers); (2) FQHC “Look-Alikes” which are nonprofit entities that are certified by the HHS Secretary as meeting the requirements for receiving a grant under section 330 of the PHS Act but are not grant recipients; and (3) outpatient health programs or facilities operated by a tribe or tribal organization under the Indian Self-Determination Act or by an urban Indian organization receiving funds under Title V of the Indian Health Care Improvement Act.
- b. **Indian Health Service Health Center.** A health care facility operated (1) by the Indian Health Service or (2) by a tribe or tribal organization pursuant to a contract under the Indian Self-Determination and Education Assistance Act (ISDEAA) or (3) by an Urban Indian organization under Title V of the Title V of the Indian Health Care Improvement Act, 25 U.S.C. § 1651 *et seq.*, which provides clinical treatment services on an outpatient basis.
- c. **Native Hawaiian Health Center.** An entity as defined in 42 U.S.C. § 11711(4): (a) which is organized under the laws of the State of Hawaii; (b) which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable; (c) which is a public or nonprofit private entity; and, (d) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health services. For more information, review the [Native Hawaiian Health Care Act of 1992](#).
- d. **Rural Health Clinic.** An entity that CMS has certified as a rural health clinic under section 1861(aa)(2) of the SSA. A rural health clinic provides outpatient services to a non-urban area with an insufficient number of health care practitioners.
- e. **State or Local Public Health or Human Services Department.** The state, county, parish, or district entity that is responsible for providing healthcare services that include health promotion, disease prevention, and intervention services in clinics or other health care facilities that are funded and operated by the Public Health or Human Services Department.
- f. **Nurse Managed Health Clinic/Center.** An entity, as defined in 42 U.S.C. § 254c-1a(a)(2), that utilizes a nurse-practice arrangement, managed by advanced practice nurses, that provides primary care or wellness services to underserved or vulnerable populations and that is associated with a school, college, university or department of nursing, FQHC, or independent nonprofit health or social services agency.
- g. **Urgent Care Center.** Urgent care centers provide acute episodic care on a walk-in basis to assist patients with an illness or injury that does not appear to be limb or life threatening and is either beyond the scope or beyond the availability of the typical primary care practice.





7. **Hospice Center**. An agency or organization, certified under section 1861(dd)(2) of the SSA, that provides 24-hour care and treatment services (as needed) to terminally ill individuals and bereavement counseling for their immediate family members. This care is provided in individuals' homes, on an outpatient basis, and on a short-term inpatient basis, directly or under arrangements made by the agency or organization.

**Note:** The health care facilities listed above are examples of the types of entities that may constitute a CSF. However, an entity will only be designated as a CSF if it is **located in, designated as, or serving a primary care or mental health HPSA**.

Ineligible facilities include, but are not limited to:

1. Private practice offices
2. Clinics in prisons and correctional facilities
3. A site of a compliant entity that is not located in a HPSA
4. Nurse Staffing Agencies
5. Travel Nurse Agencies

**NOTE:** The NURSE Corps Scholarship Program does *NOT* accept nurse staffing agencies, travel nurse agencies, "as needed" (PRNs, Pool Nurses, or other RNs or NPs who are not scheduled in a **full-time capacity**, as defined by the NURSE Corps Scholarship Program) as employment or facilities that are eligible to satisfy the required service obligation.

If a participant is not sure whether a facility fits into one of the categories above, please contact the facility's business office or human resources department. Applicants are strongly encouraged to research the types of nursing opportunities that exist in critical shortage facilities before applying to or accepting an award from the program. Please note: The health care facility that employs the NCSP participant pays the participant's salary. Each NCSP participant negotiates his/her own salary and benefits packages with the CSF where he/she is employed after graduation. Additionally, all participants are required to fulfill the service obligation at the CSF in the discipline (RN or NP) under which they were funded.

Participants are required to serve in a CSF located in, designated as, or serving primary care or mental health HSPAs with a score of 14 or higher (See definitions and reference page). NCSP participants who must relocate to accept a position in a different geographic area will not receive a relocation incentive or reimbursement.

### **Health Professional Shortage Areas (HPSA)**

HPSAs are designated by HRSA as having shortages of primary care, mental health, or dental health providers and may be geographic, population, or institutional (facility). The NCSP will only use primary care and mental health HPSA designations and scores in determining whether

a site qualifies as a CSF. The Program does NOT use dental health HPSA scores in determining the eligibility of a site.

The categories of HPSAs used for the NCSP are based on health discipline, specifically Primary Care and Mental Health. For each discipline category, there are three different types of HPSA designations: 1) geographic (a county or service area); 2) population group (e.g. low-income population, migratory agricultural workers); and 3) facility (e.g. rural health clinic, CHC). Please note, serving uninsured, Medicare and/or Medicaid populations, in and of itself does not qualify an area, population or facility as a HPSA. The specific HPSA designation criteria and guidelines may be found at [Shortage Designation Application and Scoring Process](#).

Participants should consult the HPSA websites listed below:

- [Find Shortage Areas by Address](#): Enter the facility's address to see if the facility is located in a HPSA. The facility **MUST** be located in a primary care or mental health HPSA. More specifically, "Yes" must appear beside "In a Primary Care (or Mental Health) HPSA." The primary care/mental health HPSA score(s) will appear beneath the respective designation(s).
- [HPSA Find](#): Find HPSAs by state, county, and discipline (select only primary care or mental health).

HPSA scores are ONLY used to determine the eligibility of the facility and do not imply or infer the capacity in which a nurse must work. You are required to fulfill the service obligation in the discipline for which you were funded, but may work in any eligible CSF.

A HPSA score or HPSA designation status may change on the HPSA website over time. A facility may have one HPSA score at the time the NCSP participant begins nursing school but have a different HPSA score or no longer be a HPSA by the time the participant completes nursing school. Site eligibility is based on the HPSA score in effect at the time the NCSP approves a participant to serve at the site.

## **SERVICE COMPLIANCE**

### **1. Worksite Absences**

A participant is required to serve a minimum of 45 weeks per service year and is allowed to be on leave from the NCSP -approved service site for no more than 35 workdays per service year; therefore, a participant's obligation end date will be extended for each day of absence over the allowable 35 missed workdays if a suspension is granted.

### **2. Service Verification**

To be in compliance with program requirements, participants must use the BHW Customer Service Portal to identify an authorized point of contact for the approved service site, complete and submit the initial Employment Verification form, and continue to submit 6-month In-Service Verifications (ISVs). Any participant who cannot provide ISVs online through the BHW Customer Service Portal should contact the NCSP immediately through the BHW Customer Service Portal, by [email](#) or by phone (1-800-221-9393).

Participants who fail to complete and submit their 6-month ISV through the BHW Customer Service Portal on time may not receive service credit and may be recommended for default.

### **3. Transfer Requests**

The NCSP expects that a participant will fulfill his/her obligation at the NCSP -approved CSF; however, the NCSP understands that circumstances may arise that require a participant to leave the initial facility and complete service at another NCSP -approved CSF. If a participant feels he/she can no longer continue working at the approved facility, the participant should contact the NCSP immediately. The NCSP must approve all transfers. A transfer request should be submitted through the BHW Customer Service Portal before the participant leaves his or her site. The participant must transfer to a facility with a HPSA of 14 in either primary care or mental health (whichever is higher). Leaving the assigned site without prior written approval by NCSP may result in a default recommendation.

### **4. Unemployment during Service Obligation**

If a participant becomes unemployed during his or her service obligation, the NCSP will typically allow 90 days for the participant to return to service at an eligible CSF or risk being recommended for default. NCSP will work with all participants to the extent possible to return to compliance.

### **5. Maternity/Paternity/Adoption Leave**

If a participant plans to be away from his/her site for maternity/paternity/adoption leave, the participant is required to inform the NCSP before taking the leave. The NCSP allows scholars to be away from their site within the timeframes established by either the Family Medical Leave Act (up to 12 weeks) or the scholar's state of residence; however, the participant must adhere to the leave policies of his or her NCSP approved service site.

If a participant plans to take additional leave, the participant is required to request a suspension (see "*Suspensions and Waivers*" below), which may or may not be approved by the NCSP. Requests should be submitted through the BHW Customer Service Portal. Remember that a participant is required to serve a minimum of 45 weeks per service year and is allowed to be away from the NCSP approved service site for no more than 35 workdays per service year; therefore, a participant's obligation end date will be extended for each day of absence over the allowable 35 missed workdays, if a suspension is granted.

## **NON-COMPLIANCE PENALTIES**

### **Breaching the Contract**

A participant is in breach of the NCSP contract if he or she:

1. Fails to maintain an acceptable level of academic standing in the nursing program;
2. Terminates or withdraws from the nursing program; or
3. Fails to begin or complete the service obligation as specified in the participant's NCSP contract.

If the NCSP contract is breached, the participant will be placed in default and liable to the Federal Government to repay all funds paid to the participant, or on the participant's behalf, under the NCSP and pay interest on such amounts at the maximum legal prevailing rate from the date of default. The amount owed, including interest, must be repaid within three (3) years of the date of the participant's default. Please note that participants who default on their NCSP contract will be ineligible to participate in federal loan repayment programs, including the NURSE Corps Loan Repayment Program.

Failure to repay the NCSP debt within three (3) years will result in delinquency and have the following consequences:

1. **The debt will be reported to credit reporting agencies as delinquent.** During the three-year repayment period, the debt will be reported to credit reporting agencies as "current." If the debt becomes past due, it will be reported as "delinquent."
2. **The debt will be referred to a debt collection agency and the U.S. Department of Justice (DOJ).** Any NCSP debt past due for 45 days during the collection period may be referred to a debt collection agency. If the debt collection agency is unsuccessful in receiving payment in full, the debt may be referred to the DOJ for enforced collection.
3. **Administrative offset.** Federal and/or state payments due to the participant (e.g., an income tax refund) may be offset by the Treasury to repay a delinquent NCSP debt. In addition, recovery through Administrative Wage Garnishment may be enforced to repay a delinquent NCSP debt.

### **Medicare/Medicaid Exclusion**

Delinquent defaulters who are unwilling to enter into, or stay in compliance with, an agreement to repay their scholarship debt can be excluded from participation in Medicare, Medicaid and other federal healthcare programs.

### **Suspension & Waiver**

The HHS Secretary may, under certain circumstances, suspend (put "on hold") or waive (excuse) the NCSP service or payment obligation. A request for a suspension or waiver must be submitted through the BHW Customer Service Portal and be supported by full medical or financial information. Additional supporting documentation will be required following submission of the request.

1. **Suspension.** This mechanism provides temporary relief to a NCSP participant if he/she has short-term (not permanent) circumstances that currently makes compliance with the obligation impossible or would involve an extreme hardship such that enforcement of the obligation would be unconscionable. Periods of approved suspension will extend a participant's NCSP service obligation end date.

The major categories of service suspensions are set forth below.

- a. **Medical or Personal Hardship.** A suspension may be granted for up to one year, if the participant provides independent medical documentation of a physical or mental health disability, or personal hardship, including a terminal illness of an immediate family member (e.g., child or spouse), which results in the participant's temporary inability to perform the NCSP service obligation. Upon receipt of the suspension request, the NCSP will notify the participant of instructions for submitting supporting documentation.
  - b. **Parental (Maternity/Paternity/Adoption Leave).** Participants must notify the NCSP of pending parental leave and provide appropriate documentation as soon as possible. Parental leave of 16 weeks or less will be automatically approved, once proper documentation is submitted. Upon receipt of the request, the NCSP will notify the participant of instructions for submitting the appropriate documentation. If the participant's parental leave will exceed 16 weeks during that service year, the suspension may be extended by the NCSP 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 also military reservists and are called to active duty will be granted a suspension, for up to one year, 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 NCSP. The suspension will be extended if the applicable Armed Forces entity continues the period of active duty. The period of active military duty will not be credited toward the NCSP service obligation.
2. **Waiver.** A waiver permanently relieves the participant of all or part of the NCSP service obligation. A waiver will be granted only if the participant demonstrates that compliance with his/her obligation (a) is permanently impossible or (b) would involve an extreme hardship such that enforcement of the obligation would be unconscionable. A waiver request must be submitted by uploading a signed request letter, including the reason(s) the waiver is being sought, as an inquiry to HRSA through the BHW Customer Service Portal. The HRSA/BHW Legal and Compliance Branch will contact the participant regarding any medical and financial documentation necessary to process the waiver request. Waivers are rarely granted and require a demonstration of compelling circumstances.

### **Cancellation of the NCSP Obligation**

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

### **Application Information**

***As previously stated, applicants are encouraged to read this APG in its entirety before proceeding with an application. The APG explains in detail the rights and obligations of individuals selected to participate in the NCSP. A complete understanding of the commitment***

***to serve at an eligible CSF for a minimum of two (2) years and the financial, legal, and other consequences of failing to perform that commitment is critical to successful completion of the mandatory service obligation associated with any NCSP Award. Applicants are strongly encouraged to research nursing opportunities that exist in various critical shortage facilities before applying to the program. All participants are required to fulfill the service obligation in the discipline for which they were funded.***

## APPLICATION DEADLINE

The online application and all supporting documents must be submitted to the [BHW Customer Service Portal](#) by June 14, 2018, 7:30p.m. ET. Applicants are **strongly encouraged** to upload all supporting documents in PDF format to expedite processing of their application.

## COMPLETING AN APPLICATION

### **Application Information**

The NCSP application consists of (1) an online application, (2) required supporting documentation, and (3) additional supporting documentation (as applicable). *Applicants should keep a copy of the application package for their records.*

Applicants are responsible for submitting a complete application. The information submitted in the online application must match the information submitted in the supporting documentation. Application packages will be initially reviewed to determine their completeness. Application packages deemed incomplete (e.g., missing, illegible, or incomplete application materials) as of the application deadline will not be considered for funding.

The NCSP will not accept requests to update a submitted application or permit the submission/resubmission of incomplete, rejected, or otherwise delayed application materials after the deadline. **In addition, NCSP staff will not fill in any missing information or contact applicants regarding missing information. No changes will be accepted to an applicant's school or discipline previously entered on the submitted application prior to award.**

Awardees who wish to enter a different school and/or program should contact the NCSP immediately upon notification of award.

### **1. ONLINE APPLICATION**

Applicants are required to complete each of the sections below in their online application submissions.

- a. **Eligibility Screening.** If an individual does not meet the eligibility requirements in the online application, he/she will not be able to continue with the application. Please refer to the Eligibility Requirements section of this APG for further details.
- b. **Application Type and Pipeline Programs.** Answers to this section identify the applicant's status as a Full or Part Time nursing student as well as identify any federal pipeline experience/participation. See *Federal Pipeline Programs* section of this APG.

- c. **General Information.** Answers to this section pertain to the applicant's name, social security number, mailing and email addresses, and other contact information.
- d. **Background Information.** Answers to this section pertain to the educational background, individual and family background, and emergency contact information.
- e. **Degree Information.** Answers to this section should pertain only to the degree or certificate program for which applicants are applying for a NURSE Corps Scholarship.
- f. **Completed Academic Recommendation Letter**

If the applicant is currently enrolled in the nursing program for which the scholarship award application is intended, the signed recommendation letter should be from a Department Chair, faculty advisor, or a faculty member of that academic program who can attest to the applicant's qualifications.

If the applicant has not begun the training associated with the scholarship, the signed letter should be from the Department Chair, faculty advisor, or a faculty member of the applicant's most recent academic program. The academic official's recommendation letter must describe his/her relationship, and length of time acquainted, with the applicant.

The recommendation letter must be on institution letterhead and contain the applicant's name, application ID number, the recommender's name, title, organization and address.

The completed recommendation must then be signed and uploaded into the online recommender portal. The recommendation letter should address the three discussion points described in the instructions of the recommender online portal. An application will not be complete until the official has uploaded the letter of recommendation. The applicant *will not be notified* if the recommender does not complete the letter, only if/when the recommender does.

If the original recommender cannot provide a recommendation letter, the applicant must cancel the original recommendation request and submit the name of another official selected to complete the letter of recommendation before the application deadline.

Once the academic letter of recommendation (and the non-academic letter of recommendation) have been received (uploaded into) by the portal, the application can be submitted for processing. Please note it is the applicant's responsibility to check the portal to verify that the recommender has uploaded the letter of recommendation and to submit the application once completed. The burden is on the student to submit a completed application through the portal.

- g. **Completed Non-Academic Recommendation Letter**

The second recommendation letter should be from an individual who is familiar with the applicant's professional, community, and/or civic activities, especially those

related to underserved communities and, if applicable, federal pipeline experience. The recommender can be a current or former employer, community leader, colleague, or anyone who has knowledge of the applicant's demonstrated work and/or interest and motivation to provide care to underserved communities.

Applicants may want to encourage recommenders to consider documenting any experience in high priority service areas (i.e. Indian Health, Rural, Tribal, FQHC, CHC that is designated as, or serving a primary care or mental health HPSA with a score of 14 or higher) or Federal Pipeline Programs as previously defined as their Non-Academic recommendation letter.

The recommender must describe his or her relationship to and length of time acquainted with the applicant. The non-academic recommendation letter must have the applicant's name, application ID number, the recommender's name, title, organization and address.

The completed recommendation must signed and uploaded into the online recommender portal. The recommendation letter should address the discussion points described in the instructions of the recommender online portal. The application will not be complete until the official has uploaded the letter of recommendation.

The applicant will only be notified if the recommender completes the letter. If the original recommender does not respond to the request to write a recommendation letter, the applicant may select another recommender by first canceling the recommendation request and then submitting the name of another official to complete the letter of recommendation.

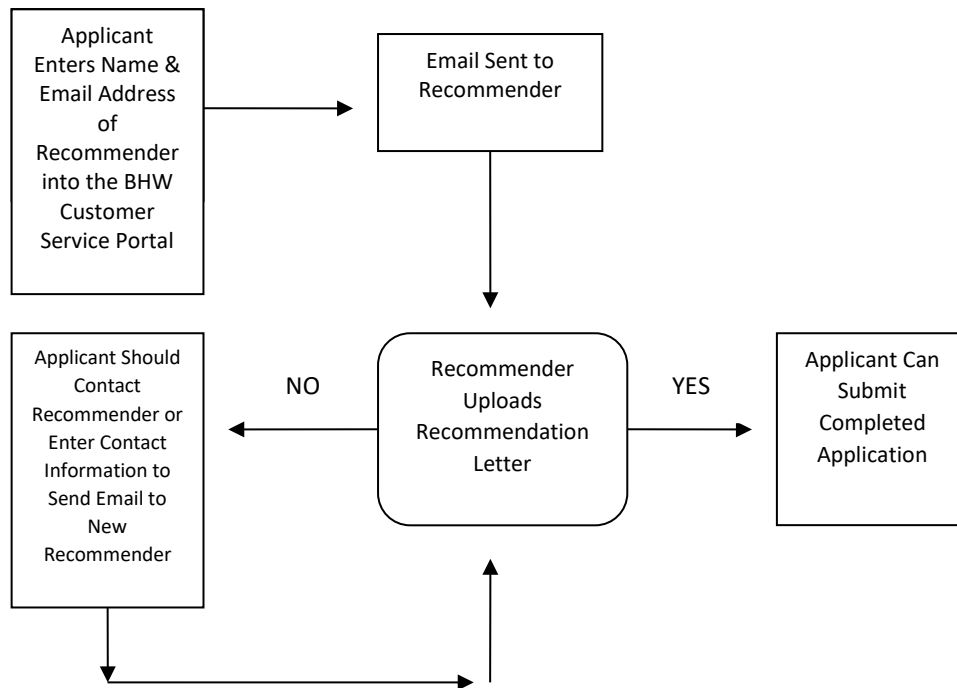
Both letters of recommendation must be successfully uploaded for the applicant to submit the application. Once the letters have been received by (uploaded into) the Portal, the application can be submitted for processing. The evaluator cannot be a relative of the applicant, or be the same individual who completed the Academic Recommendation letter.

A second non-academic letter of recommendation may be submitted in place of an academic letter of recommendation if the applicant has been out of school for an extended period; however, the same components must be addressed.

The recommender must not be a family member and the letter must have a handwritten or electronic signature.



## Recommendation Letter Steps to Completion



- h. **Self-Certification.** Applicants are required to certify the accuracy, truthfulness, and completeness of the information entered in the online application.

## 2. REQUIRED SUPPORTING DOCUMENTATION

- a. It is the applicant's responsibility to upload required supporting documents by **7:30 p.m. ET on June 14, 2018**. Failure to submit a complete application package by the deadline **will deem the applicant ineligible**, and he/she will not be considered for a NCSP award. Applicants must upload all supporting documents at the time of the online application submission. Each document submitted must include the applicant's First Name, Last Name, Discipline and **last 4 digits ONLY** of social security number.
- b. **Authorization to Release Information Form**  
This form authorizes entities identified in the form to disclose information regarding applicants who have been selected and accept the scholarship award. The form must be dated and have the applicant's handwritten signature.
- c. **Documentation of Status as a U.S. Citizen, U.S. National, or Lawful Permanent Resident**
- Proof of Citizenship can be documented by submission of any ONE of the following documents:
    - U.S. Passport
    - Certificate of Naturalization (N-550/N-570)
    - Certificate of Citizenship (N-560/N-561)

- Document from federally recognized Indian tribe that includes your name and the name of the federally recognized Indian tribe that issued the document, and shows your membership, enrollment, or affiliation with the tribe. Documents you can provide include:
  - Tribal enrollment card
  - Certificate of Degree of Indian Blood
  - Tribal census document
  - Documents on Tribal letterhead signed by a Tribal official
  
- If you do not have any of the documents above, you can provide two documents – one from each list below:
 

**List #1:**

  - U.S. public birth certificate
  - Consular Report of Birth Abroad (FS-240, CRBA)
  - Certification of Report of Birth (DS-1350)
  - Certification of Birth Abroad (FS-545)
  - U.S. Citizen Identification Card (I-197 or the prior version I-179)
  - Northern Mariana Card (I-873)
  - Final adoption decree showing the person’s name and U.S. place of birth
  - U.S. Civil Service Employment Record showing employment before June 1, 1976
  - Military record showing a U.S. place of birth
  - U.S. medical record from a clinic, hospital, physician, midwife or institution showing a U.S. place of birth
  - U.S. life, health or other insurance record showing U.S. place of birth
  - Religious record showing U.S. place of birth recorded in the U.S.
  - School record showing the child’s name and U.S. place of birth
  - Federal or state census record showing U.S. citizenship or U.S. place of birth
  - Documentation of a foreign-born adopted child who received automatic U.S. citizenship (IR3 or IH3)

**List #2:**

- Driver's license issued by a state or territory or ID card issued by the federal, state, or local government
- School identification card
- U.S. military card or draft record or military dependent’s identification card
- U.S. Coast Guard Merchant Mariner card
- Voter Registration Card
- 2 documents containing consistent information that proves your identity, like employer IDs, high school and college diplomas, marriage certificates, divorce decrees, property deeds, or titles

- a. **Completed Verification of Acceptance/Enrollment Verification Form**  
The NCSP uses the Verification of Acceptance and Enrollment Verification Forms to confirm the student’s enrollment and status, program start date of no later than September 30, 2018 for the 2018-2019 academic year, expected date of graduation, grade point average, institution’s name and address, and the official contact person for the school of nursing.
- b. **Official Student Aid Report**  
Applicants must provide a **complete** copy, either electronically or on paper, of their Official Student Aid Report (SAR) with no missing pages, which summarizes all the information provided on the FAFSA. **Student Aid Reports received from institutions other than the Department of Education will NOT be accepted and failure to provide an approved SAR will render an application ineligible.** The SAR will contain the applicant’s Expected Family Contribution (EFC), the number used in determining eligibility for federal student aid. The EFC should appear in the upper portion of a paper or electronic SAR in addition to a SAR ‘expiration’ or ‘valid through’ date. The NCSP will deem partial or expired SAR submissions as incomplete. The NCSP only accepts official SARs; any other type of document will deem the applicant ineligible. Applicants can request updates on, or copies of, their official SAR from the Department of Education by calling 1-800-4-FED-AID (1-800-433-3243) or via email at [FederalStudentAidCustomerService@ed.gov](mailto:FederalStudentAidCustomerService@ed.gov).
- c. **Current Tuition and Fee Schedule**  
Each applicant must provide a tuition and fees schedule for the 2018-2019 academic year or, if not yet available, the most recent tuition and fees schedule published by the school in the school catalog or on its website.
- d. **Completed Essay Questions**  
The applicant must provide typed responses to the three essay questions listed below. Each response is limited to a 500-word count or less (about a full page with spacing) in Times New Roman 12 point font. The applicant must include the Applicant ID number generated by the application at the top of each document.
- Essay 1:** How will you contribute to the mission of the NCSP in providing care to underserved communities?

**Essay 2:** What personal experiences have prepared you to work with underserved populations, such through community service, internships, or experience in rural, frontier, tribal or federal pipeline programs?

**Essay 3:** Please discuss your commitment to pursue a career in nursing.
- e. **Resume/Curriculum Vitae (CV)**  
Applicants must provide a resume/CV that summarizes their educational qualifications, work experiences, and volunteer/community service in chronological

order. The resume/CV must also include the location (city/state) where the experience took place.

f. ***Academic Transcript***

Applicants must submit an official or unofficial transcript from the most recently completed undergraduate or graduate academic institution/program attended (or high school, if applicable) if they have not completed one full academic term in the program for which they are seeking NCSP funding. If applicants have completed at least one undergraduate or graduate academic term, then they must submit a transcript from their current institution. Otherwise, a complete high school transcript should be submitted. The uploaded transcript must be legible and include the applicant's school name, courses taken, grades received for each course, and cumulative Grade Point Average.

3. **ADDITIONAL SUPPORTING DOCUMENTATION** (if applicable)

**Based on the applicant's responses to the online application, the following additional document will be required for submission.** Only applicants who have this document listed on their Supporting Documents page of the online application are required to submit them. This document will be added to the Supporting Documents list once the online application has been submitted.

- **Statement Regarding Existing Service Obligation**

A letter on official letterhead from the entity to which the applicant's existing service obligation is owed, indicating there is no potential conflict in fulfilling the service commitment to the NCSP and that the NCSP service commitment will be served first.

**Application Review and Award Process**

1. The deadline for submitting an online application and supporting documentation is June 14, 2018 at 7:30 p.m. ET.
2. Applicants will receive a receipt of submission notice once the application has been successfully submitted online.
3. The application review process will take approximately three to four months. Applicants selected for an NCSP award will be notified by email. Applicants may opt to accept or decline the NCSP award. In order for NCSP staff to make an award to the selected applicant, the applicant offered the award must:
  - a. Sign and upload the NCSP contract;
  - b. Complete and upload the online banking form for direct deposit;
  - c. Complete and upload the Enrollment Verification Form for Fall term and, if applicable, Summer;
  - d. Provide official documentation of successful completion of a Federal Pipeline Program for the priority preference; and
  - e. Complete and upload the W-4 form.

Awards are subject to the availability of funds. All applicants, those selected for an award and those not selected for an award, will be notified no later than September 30, 2018.

### NOTIFICATION OF AWARD

Individuals selected for awards will receive a Confirmation of Interest (COI) email no later than September 30, 2018. To accept the award, an applicant must respond by the deadline indicated in the COI email/letter. If the applicant does not respond to the NCSP by the deadline, the offer of award expires and will be offered to another applicant. Applicants who respond by the deadline will be asked to:

- a. Sign the NCSP contract;
- b. Complete the online banking form for direct deposit;
- c. Complete the Enrollment Verification Form; and
- d. Complete the W-4 form.

A credit check will also be performed on each applicant's behalf. Awards are subject to the availability of funds. Applicant award notifications will begin in late August and continue through September 2018.

Individuals selected for an award must be enrolled as a **full-time** student (unless awarded as a funding preference 3 – part-time student) during the 2018-2019 academic year and full-time class attendance **must begin on or before September 30, 2018**. You will be requested to submit your nursing program plan of study (i.e., a list of classes each term). Applicants who will not begin classes on or before September 30, 2018, including applicants who will be on a leave of absence from school through September 30, 2018, **must** decline the award.

An individual selected for an award, who decides not to accept the award, may decline the scholarship support without penalty. However, once a decision to decline has been made, there will not be any opportunities to reclaim the award. A decision to decline the scholarship award is final and cannot be changed under any circumstances. An applicant who declines an award may apply in the next application cycle. [Sign-up to receive an email notification](#) about when the next application cycle will open.

## Additional Information

### RESOURCES FOR APPLICANTS

#### **Health Workforce Connector**

[Health Workforce Connector](#) contains a searchable database for several, but not all, NCSP approved service sites, including many with current job openings.

#### **[HPSA Find](#)**

All NCSP participants must serve in a federally designated HPSA. [Find shortage areas by address.](#)

#### **Customer Care Center**

Any individual with questions about the NCSP may contact the Customer Care Center Monday through Friday (except federal holidays), 8:00 am to 8:00 pm ET.

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

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

Once an applicant has been selected for an award, he/she will be provided with instructions for establishing an account on the [BHW Customer Service Portal](#). This web-based system will allow NCSP participants to communicate with the program staff, to make certain requests (e.g., suspensions, transfers, waivers), and to access the 6-month In-Service Verification Form.

#### **Social Media**

- [NURSE Corps Facebook](#)
- [NURSE Corps LinkedIn](#)

### DEFINITIONS

1. **ACADEMIC YEAR.** All NCSP contracts are for a specific year. Under the NCSP, all academic years run from July 1 through June 30 of the following year. If, for example, a student is in a full-time 24-month program that begins on August 2, 2018, and he/she signs contracts for two academic years, the student will receive stipend, ORC and tuition payments from July 1, 2018 through June 30, 2020. Funding for the extra months of the program beyond June 30, 2020, would require the student to request a third year of scholarship funding, and if granted, obligates the participant to 3 years of full-time service. If a student is in a 24-month program that begins on May 2, 2018, and he/she signs contracts for 2 school years, the student will receive stipend, ORC and tuition payments from July 1, 2018, through June 30, 2020, or the month the participant completes the required classes for graduation, whichever comes first. In this second example, the participant is only obligated for two years of service since the graduation or program end date is on or before the contract period end date of June 30, 2020.

2. **ACCEPTABLE LEVEL OF ACADEMIC STANDING.** The level at which a student retains eligibility to continue attending the nursing program for which they were awarded under the school's standards and practices as determined by the nursing program.
3. **ACCREDITED PROGRAM.** A program accredited by a national or regional nurse education accrediting agency or state approval agency recognized by the U.S. Secretary of Education. [Review a complete list of nursing accreditation agencies recognized by the Secretary of Education.](#)
4. **ADMINISTRATIVE OFFSET.** For scholars who receive funding under the NCSP, overpayments of scholarship benefits may be collected through administrative offset from future award payments. The NCSP may withhold scholarship funds payable to, or on behalf of, the participant (including stipends, ORC, and if necessary, tuition/fees payments) until the overpayment is paid in full. Administrative offset is not a repayment option for scholars who wish to terminate a contract.
5. **CONTRACT.** A written contract, as authorized by Section 846(d) of the PHS Act, for an academic year pursuant to which (1) the federal government agrees to provide the individual with a scholarship, for attendance at a school of nursing during that academic year, and (2) the individual agrees to serve as a nurse for a period of not less than two years at a health care facility with a critical shortage of nurses after graduation.
6. **CRITICAL SHORTAGE FACILITY (CSF).** A health care facility located in, designated as, or serving a primary care or mental health HPSA.
7. **DEFAULT OF SERVICE OBLIGATION.** Failure for any reason to begin or complete the NCSP service obligation, including failure to comply with the terms and conditions of delaying the service obligation for approved postgraduate training.
8. **DEFERMENT.** A delay in the start of service obligation granted by the NCSP upon a scholar's request, for a specified period of time to enter and complete an approved postgraduate nursing residency program.
9. **ELIGIBLE REQUIRED FEES.** Fees that may be covered by NCSP if required by a participant's school, may include but are not limited to:
  - Academic Support Services Fee
  - Administrative Fee
  - Background Check Fee
  - Facility Fee
  - Campus Life Fee
  - Computer Lab Fee
  - Counseling Fees
  - Curriculum Fee
  - Disability Insurance (Must be required of all students regardless of source of funding)
  - Distance Learning/Online Fee (for a course; not an entire program)
  - Drug Testing Fee
  - Education Fee
  - Graduation Fee in last year of program

- Health Insurance (Must be required of all students regardless of source of funding)
- Health Services Fee and Immunizations
- Laboratory Fees
- Library Fee
- Processing Fee
- Recreation Fee
- Registration Fee
- Student Activities Fee
- Student Association and Union
- Student Initiated Fees (if required)
- Student Services Fee
- Technology Fee
- Testing
- Transcript
- Transportation (if required for campus-wide system)
- University Fee

10. **ENROLLED OR ACCEPTED FOR ENROLLMENT.** Accepted for enrollment is defined as having been officially granted entrance without contingency to an RN or NP program at an accredited school of nursing. Wait-listed and alternate selection candidates do not meet this criterion. A Letter of Acceptance is typically provided by the school for confirmation. Enrolled is defined as having been formally admitted to an RN or NP Program at an accredited School of Nursing, having committed to attend the program and have scheduled or are eligible to schedule classes which have or will begin no later than September 30 of the year for which the award was made.
11. **EXPECTED FAMILY CONTRIBUTION.** The amount of money your family is expected to contribute to your college education for one year, as determined by the U.S. Department of Education in your Official Student Aid Report.
12. **FAMILY/FAMILY MEMBER.** As used in the guidance and for the purposes of the NURSE Corps, “family member” includes spouses, as well as unmarried partners (both same-sex and opposite-sex), as defined under 5 CFR Part 630.
13. **FULL-TIME CLINICAL PRACTICE.** The provision of nursing services for a minimum of 32 hours per week. At least 26 hours per week, of the minimum 32 hours per week, must be spent providing clinical services or direct patient care to patients.
14. **FULL-TIME STUDENT.** A student enrolled in a school for the number of credit hours or courses in any academic term that is considered by the school to be full-time. Any courses that are not required or are unrelated to the qualifying degree program, as well as repeat courses the NCSP has already paid for, will not count toward the hours required for full-time status.
15. **GRADUATE NURSING PROGRAM.** Any department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to a graduate degree in nursing, or to an equivalent degree. This includes advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.



16. **INITIAL SCHOOL OF RECORD.** The school indicated on the NCSP application and attended at the time the initial contract is executed.
17. **LEAVE OF ABSENCE.** A period of approved absence from a course of study granted to a student by his or her nursing school for medical, personal, or other reasons. The leave of absence is usually granted for a period of 1 year or less. When a leave of absence is expected, a participant is required to notify the NCSP immediately through the BHW Customer Service Portal and submit a letter from the school approving the leave of absence and indicating the start and end dates for the period of the absence. Payment of all benefits is discontinued while a participant is on an approved leave of absence, and may be resumed when the student returns to the course of study for which the scholarship was awarded.
18. **STATE, THE DISTRICT OF COLUMBIA, OR A TERRITORY.** One of the following: a state within the 50 United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, the U.S. Virgin Islands, Guam, American Samoa, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. Students attending schools outside of these geographic areas are not eligible for NCSP awards, even though they may be citizens or nationals of the United States.
19. **OTHER REASONABLE COSTS (ORC).** An additional, annual payment provided directly to each NCSP participant to assist in the payment of books, clinical supplies/instruments, and uniforms.
20. **PART-TIME CLINICAL PRACTICE.** The provision of nursing services for a minimum of 16 hours per week (up to a maximum of 31 hours per week). At least 80% of the hours each week must be spent providing clinical services or direct patient care to patients.
21. **PART-TIME STUDENT.** A student will be considered part-time if enrolled on at least a half-time basis (i.e., the student is not taking a sufficient number of credit hours to meet or exceed 50 percent of the credit hours required by the nursing school program to be a full-time student).
22. **POSTGRADUATE TRAINING.** Types of postgraduate training that include residencies and fellowships. NCSP participants have the option to complete up to one year of a Nursing Residency. No credit towards NCSP service obligation is given during postgraduate training.
23. **SPOUSE.** For the purposes of the NCSP, “spouse” includes same-sex married couples as well as opposite-sex married 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.

24. **SUSPENSION.** A temporary status. A suspension 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 and/or financial documentation.
25. **UNDERGRADUATE NURSING PROGRAM.** Any school of nursing program where graduates will be authorized to sit for the National Council Licensure Examination—Registered Nurse (NCLEX-RN) (i.e., where students will receive a Diploma, Associate, or Baccalaureate degree). The educational programs in the school of nursing must be accredited by a national nursing accrediting agency or state approval agency recognized by the U.S. Secretary of Education. (See PHS Act section 801)
26. **UNENCUMBERED LICENSE.** An unencumbered license means one that is not revoked, suspended, or made probationary or conditional by a licensing or registering authority in the applicable jurisdiction.
27. **SYSTEM FOR AWARD MANAGEMENT**. A website maintained by the General Services Administration for the purpose of disseminating information on parties that are excluded from receiving federal contracts, subcontracts, and federal financial and non-financial assistance and benefits, pursuant to E.O. 12549, E.O. 12689, and implementing regulations.
28. **WAIVER.** A permanent release of a participant’s NCSP service or payment obligation. A waiver 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.

## FREQUENTLY ASKED QUESTIONS

### NCSP General Questions

**1. How do interested applicants apply to the NCSP?**

The application deadline for the 2018-2019 academic year is 7:30 pm ET, June 14, 2018. Those interested in applying to the NCSP should read the 2018 APG. To apply for the NCSP, complete the online application and submit the required Supporting Documentation. Please read the *How to Apply* section of this APG for instructions on completing the application and the supporting documentation.

**2. What if an awardee changes his/her mind about going into nursing after he/she has accepted the NCSP Award?**

Accepting a NCSP award is a serious commitment to serve as a registered nurse or nurse practitioner in a facility with a critical shortage of nurses. Individuals who accept the scholarship and change their mind about nursing before completing nursing school or the service commitment, have breached their contract with the U.S. Government and must pay back all monies paid directly to them and to the school on their behalf, with interest. The amount owed, including interest, must be paid within 3 years of the date of the default, which is the date the noncompliant activity occurs. Please note that participants who default on their NCSP contract become ineligible to participate in any federal loan repayment programs, including the NURSE Corps Loan Repayment Program.

The HHS Secretary or his/her designee may terminate a NCSP contract for an academic year if, on or before June 1 of the school year, the participant:

- a. submits a written request to terminate his/her contract for that academic year; and
- b. repays all amounts paid to, or on behalf of, that participant (tuition, stipends and ORC) for that academic year.

If you meet these requirements and the contract is successfully terminated, you no longer have a service obligation **for that school year**. Please note, however, that if you received NCSP support for one or more prior school years, you will still owe service in return for those prior years of support.

For more information, see *Breaching the Contract* section of this APG.

**3. What if a NCSP participant changes his/her mind about the type of nursing program he/she wants to complete?**

Participants cannot change degrees once the NCSP contract has been signed. The degree indicated on a participant's application is the **ONLY** degree that the NCSP will support. Service commitment must be consistent with the area of nursing for which the award was made. For example, if you were awarded as an NP, you must perform service as an NP, and not as an RN.

4. **Can a NCSP participant defer his/her scholarship start date?**

No, scholarship start dates cannot be deferred. The scholarship will start at the beginning of the 2018-2019 academic year.

5. **What is an eligible health facility where NCSP participants can fulfill the service obligation?**

NCSP participants are required to serve in a CSF in a HPSA with a primary care or mental health HPSA Score of 14 or above. NCSP participants are responsible for finding their own employment site and confirming its eligibility with the Program before accepting an employment offer. The NCSP reserves the right of final approval to ensure a participant's compliance with all requirements related to the service obligation.

The NCSP does NOT accept nurse staffing agencies, travel nurse agencies, "as needed" (PRNs, Pool Nurses, or other RNs or NPs who are not scheduled in a *full-time capacity*, as defined by the NCSP) as employment that is eligible to satisfy the required service obligation. For more information, see *Service Requirements* section of this APG.

6. **Are there any sites where a participant could be employed as a nurse that would not fulfill the NCSP service obligation?**

Yes. Ineligible facilities include, but are not limited to Private Practice Offices and Clinics in Prisons and Correctional Facilities that do not qualify as one of the facilities listed in the APG under *Service Requirements* section.

7. **What type of nursing degree program must an applicant be accepted to or enrolled in to apply for the NCSP?**

NCSP participants must be enrolled in or accepted for enrollment in an accredited associate, collegiate (baccalaureate or graduate level), or diploma school of nursing. See Section 801 of the Public Health Service Act for a full and complete definition of these terms. The educational programs in the school of nursing must be accredited by a national nursing accrediting agency or state approval agency recognized by the U.S. Secretary of Education.

For information on NURSE Corps Scholarship Program eligibility requirements, see *Eligibility Requirements* section.

8. **How many hours must a NCSP participant work at a CSF to be considered full-time?**

Full-time employment is considered no less than 32 hours of nursing services per week. At least 26 hours of the minimum 32 hours per week must be spent providing clinical services or direct patient care to patients. Participants wishing to serve part-time must obtain prior approval from the NCSP and must extend the service obligation to equal the full-time commitment. For more information, see *Understanding the Contract and Service Obligation* section.

**9. When does the NCSP service obligation begin?**

Nursing participants have up to 9 months from the date of graduation to (1) obtain a nursing license; (2) accept an offer of employment from a NCSP-approved facility; and (3) commence full-time (or if approved, part-time) clinical services at a CSF. For more information, see *Service Requirements* section.

**10. How much is the NCSP monthly stipend and when is the payment made?**

For the 2018-2019 academic year, the monthly stipend will be \$1,363.00. The stipend is disbursed by the end of each month; payments are not considered late until the 15<sup>th</sup> of the following month. The first stipend payment is issued in November and includes a lump sum payment for all months (July through October) of the Fall term and Summer term only if the Summer term was still in session on July 1. For more information, see *Tuition, Required Fees, Other Reasonable Costs, and Stipend* section.

**11. Once a participant is selected to receive a NCSP award, when will the participant receive tuition payment?**

Payment of tuition and fees are made directly to the school on the participant's behalf. The Notice of Award Letter issued by the NCSP to the participant serves as authorization to the school to bill the NCSP directly for tuition and required fees.

It is the participant's responsibility to take the Notice of Award Letter to the appropriate school official and explain to him/her what the school official's role and responsibilities will be while the participant is under contract with the NCSP (e.g., invoice payment, Enrollment Verification Form submission each term; and other inquiries as needed). It takes approximately 6 weeks from date of receipt of the invoice by the NCSP for the school to receive payment. For more information, see *Tuition, Required Fees, Other Reasonable Costs, and Stipend* section.

**12. Once a participant is selected to receive a NCSP award, will the program cover tuition and fees if his/her program started prior to July 1, 2018?**

Yes, the NCSP will only pay tuition and required fees for required courses in summer school sessions when (1) summer school is an academic term normally required by the school for all students in the same program and (2) the summer session is in progress during the participant's contract period (i.e., through July 1, 2019). For more information, see *Tuition, Required Fees, Other Reasonable Costs, and Stipend* section.

**13. How are NCSP stipend and other reasonable cost payments issued?**

NCSP stipend and other reasonable cost payments are transferred electronically to each participant's financial institution through mandatory direct deposit. For more information, see *Tuition, Required Fees, Other Reasonable Costs, and Stipend* section.

**14. What happens if tuition has been paid by another source of financial aid before the participant receives notice of the NCSP award?**

Receipt of the NCSP award does not automatically preclude an applicant from receiving funds from other programs, as long as no service obligation is involved. Applicants should contact their financial aid officer to determine how the receipt of a NCSP award may affect them. For more information, see *Additional Funding Provided by an Alternative Source* section.

**15. Does the NCSP cover additional books or materials a participant is required to purchase during the school year?**

During the fall of each contracted academic year, the NCSP makes a single ORC payment to the participant. This payment is to assist with covering expenses for required materials such as books, clinical supplies/instruments, and uniforms during that school year. If additional expenses for books and other materials arise, the NCSP will not cover those expenses. The participant is responsible for paying those expenses. The “other reasonable cost” payment is established in the initial award year and cannot be adjusted.

**16. Is health insurance coverage included in the fees paid for by the NCSP?**

If health insurance is required and purchase through the school is mandatory, the cost can be included in the fees paid by the NCSP to the school. Insurance for family members is not covered. If the required insurance is purchased through any other source, then the school will not be allowed to submit the costs for the insurance fee.

**17. Can the rules change after an individual selected to receive the NCSP award has accepted the award?**

NCSP participants may be subject to changes in the statute, regulations, and/or policies of the NURSE Corps Scholarship Program that occur after they have received their awards.

**18. What happens if a NCSP participant takes a leave of absence and/or repeats course work while attending the nursing program?**

The NCSP will discontinue the payment of all benefits during a leave of absence approved by the school. If the participant is repeating course work for which the NCSP has already paid, the NCSP will not pay for that repeated course work but may maintain payments for stipends and all other non-repeated course work provided that the participant continues to meet the NCSP requirements. For more information, see *Changes in Scholarship Payment* section.

**19. What if a participant’s nursing program does not offer courses needed during the participant’s first fall semester in the program?**

If the NCSP participant was awarded based on a preference given to full-time enrollment, then the participant must be enrolled in the program full-time when classes begin by September 30, 2018. If a participant’s school does not offer enough courses for

the participant to enroll full-time, he/she will have to forfeit the scholarship, which entails cancelling the contract without ramifications. An exception is granted if it is not the participant's first term as a new awardee and if the school has granted an official leave of absence. In this case, the participant must provide official documentation from the school confirming the leave of absence. During this leave of absence, the participant will not be eligible to receive stipend or ORC payments, but can apply to have his/her stipend and ORC reinstated at the conclusion of the leave of absence.

**20. What happens if the NCSP is not funded for a specific year or is discontinued?**

When a scholarship is awarded, funds are obligated (set aside) for the number of school years of support requested by the participant and agreed to by the HHS Secretary, as indicated by the signed contract(s).

If the participant has not signed contracts through the date of graduation, he/she will be given priority for continued funding when the existing scholarship support ends. Continuation funding is always subject to the availability of funding and the continued existence of the NCSP. For more information, see *Understanding the Contract and Service Obligation* section.

**21. When can a NCSP participant start applying for positions to fulfill the service commitment?**

Participants are encouraged to begin searching and applying for open positions as soon as possible. Participants have up to nine (9) months from the date of graduation to obtain a nursing license, accept an offer of employment from an NCSP-approved CSF and commence full-time (or, if approved, part-time) work providing clinical services at the CSF.

**22. Who pays the salary of a NCSP participant fulfilling the service commitment?**

The health care facility that employs the NCSP participant pays the participant's salary. Each NCSP participant negotiates his/her own salary and benefits packages with the CSF where he/she is employed after graduation. There is no "typical" salary. Salaries vary by employing facility and location.

**23. What is the Expected Family Contribution (EFC) and what if my EFC needs to be updated?**

The EFC is part of the Official Student Aid Report (SAR) that you receive when you complete the Free Application for Federal Student Aid (FAFSA). The SAR is required on the application and must be **complete** and **official**. The report is generated directly from the Department of Education.

The EFC measures a student's expected family contribution in terms of the ability to pay for educational costs. It is used to determine eligibility for Federal student aid. The NCSP has a funding preference for applicants of greatest financial need, defined as qualified applicants with an EFC between \$0 and \$5,328.

The NCSP uses the EFC listed on the SAR. If your EFC has changed due to special circumstances, the SAR must be corrected. Call 1-800-433-3243 to speak with the Federal Student Aid Information Center about your situation and obtain help updating your FAFSA. If your EFC changes before the NCSP application cycle closes, you must notify the NURSE Corps Scholarship Program. The NCSP will reconsider your application based on this change. The NCSP does not calculate your SAR. Your SAR is determined from the Department of Education by filling out a FAFSA.

**24. What does the NCSP mean when it says participants must make "at least a two-year service commitment"?**

Individuals who receive the NCSP award are required to serve, at a minimum, a two-year full-time service obligation (or its part-time equivalent). NCSP participants who receive less than 2 years of scholarship support will still owe the equivalent of 2 years of full-time service. The service obligation is extended by one year for each full-time year of NCSP support received beyond two years. For more information, see *Understanding the Contract and Service Obligation* section.

**25. What are the computer requirements for the online portion of the NCSP application?**

The NCSP recommends the following browsers when completing the online application: Internet Explorer 8, Firefox, Chrome 6, or Safari 5.

**26. Are students accepted for enrollment or enrolled in bridge or dual degree programs eligible for the NCSP?**

The following Bridge and Direct Entry Nursing Programs are eligible for an award: non-nursing bachelor's degree to MSN/NP, RN to MSN/NP, RN to BSN bridge programs, and Doctor of Nursing Practice programs. Applicants may be enrolled in an on-line program as long as they are NOT self-paced programs, the curriculum requires in-person clinical rotations, and all other programmatic guidelines are met. Students enrolled in Licensed Practical Nurse programs, combined degree, and dual degree programs are not eligible for a scholarship award. For complete eligibility information, see *Eligibility Requirements* and *Funding Priorities* sections.

**27. Where do I send my NCSP supporting documentation?**

Please upload your NURSE Corps Scholarship Program supporting documents to the [NCSP Online Application](#). Applicants are **strongly encouraged** to upload all supporting documents in PDF format to expedite processing of their application. Materials must be received by the application deadline (June 14, 2018 at 7:30 p.m. ET).

**28. How may I check the status of my NCSP Application?**

Applicants will receive a receipt of submission notice once the application has been successfully submitted online. Status and confirmation of receipt will be provided for uploaded documents via the online portal. Individuals will be notified by e-mail no later



than September 30, 2018, as to whether or not they have been selected for a NCSP award

**29. Can a NCSP participant transfer schools and still receive NCSP support?**

Transferring to another school or changing programs is strongly discouraged once the applicant has been accepted into the NCSP. Transferring to another school or changing programs will be considered only for exceptional circumstances and must be approved in advance to ensure continued eligibility for funding.

**30. Can NCSP participants make changes to banking information after it has been submitted?**

Yes, once the scholarship award has been accepted and the participant has electronically signed his/her application he/she will be asked to enter banking information including a bank account and routing number along with the Enrollment Verification Form(s) and W-4.

Participants can make any additional changes to their banking information by using the online [BHW Customer Service Portal](#). Select the banking information link and follow the prompts.

## **NURSE Corps Scholarship Tax Update Questions**

Previously, HHS withheld Federal income tax on the NURSE Corps Scholarship Program monthly stipend and the annual payment for Other Reasonable Costs (ORC). Beginning in 2018 and going forward, the agency is withholding Federal income tax owed on the other components of the NURSE Corps Scholarship Program award (i.e., payment for tuition and fees), and will withhold the "employee" share of FICA tax. In addition, all of the NURSE Corps Scholarship Program funds disbursed to you, or to your school on your behalf, will be reported to the IRS on a Form W-2 Wage and Tax Statement.

**1. Is this a new HRSA policy?**

No. HRSA is implementing a determination from the IRS that under Section 117(c)(1) of the Internal Revenue Code, the entire NURSE Corps Scholarship award is taxable because it represents payment for services by the student required as a condition for receiving the qualified scholarship.

**2. National Health Service Corps (NHSC) scholarships have a service obligation attached, so why aren't they taxable?**

Congress specifically exempted NHSC scholarships from Federal income tax in Section 117(c)(2) of the Internal Revenue Code. The statute does not similarly exempt NURSE Corps scholarships.

**3. What part of my NURSE Corps scholarship is taxable?**

All components of the NURSE Corps Scholarship award are taxable, including your tuition, fees, ORC, and monthly stipend payments. Withholding income and employee Federal Insurance Contributions Act (FICA) taxes from your tuition payments means that portions of your award may be reduced as a result. If the amount withheld does not cover your tax obligations, you are responsible for paying the remainder to the IRS.

**4. What is FICA and why is it being taken out of my award?**

FICA taxes are composed of Social Security and Medicare taxes paid by individuals and employers. While receipt of an NURSE Corps Scholarship Program award does not make the recipient an employee of HRSA, the IRS considers the scholarship funds to be "wages" and HRSA as the "employer" because HRSA controls the payment of the funds. Thus, employment tax (FICA) applies to the entire award – tuition, fees, stipend and ORC. The agency must pay the employer share of FICA tax (currently 7.65%) and withhold the employee share of FICA (currently 7.65%) from your NURSE Corps Scholarship Program award.

**5. Do I have to file a tax return with the IRS?**

We suggest that you speak with a professional tax advisor, visit [www.irs.gov](http://www.irs.gov), or contact the IRS Tax Help Line at (800) 829-1040 to determine whether you need to file a tax return. Please note that you are not excused from having to file a tax return with the IRS by virtue of HRSA's reporting your NURSE Corps Scholarship Program award "income" to the IRS or withholding federal income and FICA tax from your NURSE Corps Scholarship Program award.

**6. Is there any way to calculate my projected award amount after taxes?**

The NURSE Corps Scholarship after-tax calculation is an individual assessment, which includes many factors that are specific to the individual taxpayer. For example, the amount of your NURSE Corps Scholarship Program award, your marital status, and the number of allowances you claim on your W-4 will affect the amount of federal income tax that is withheld from your award. Thus, HRSA is not able to project the amount of federal income tax each NURSE Corps participant will owe.

However, each scholar's FICA tax withholding is the same: the "employee" share equals 7.65% of the total NURSE Corps Scholarship Program award (6.2% for Social Security and 1.45% for Medicare). We recommend that you seek professional tax advice to help you consider your individual tax situation and the net effect that the withholding and reporting changes may have on your award and tax liability.

**7. If my tuition payment is reduced, will I be able to take out a loan to pay the difference?**

We suggest you speak with the financial advisor at your nursing school for the financial options that may assist you with paying for your education expenses.

**8. Can I apply for another government program for additional funds?**

In accordance with the 2018 NURSE Corps Scholarship Program's APG, you may seek other sources of funding as long as you do not incur another service obligation.

**9. Is tax advice or assistance available to me from the NURSE Corps Scholarship Program?**

The NURSE Corps Scholarship Program does not provide tax advice. We suggest you speak with a tax professional or contact the IRS through their TAX HELP LINE at (800) 829-1040.

**10. Can I decline the award or return the money and get out of my contract now that I have a better understanding about the impact of withholding taxes on my scholarship?**

You can decline the scholarship at any time before the agency countersigns your NURSE Corps Scholarship Program Scholarship Program Contract.

Once you have signed the NURSE Corps Scholarship Program Contract and HRSA has countersigned it, the contract is in effect. HRSA can terminate the contract only if, on or before June 1 of the school year to which the contract pertains, you:

- a. submit a written request to terminate your contract for that academic year; and
- b. repay all amounts that were paid to you, or on your behalf, for that school year (tuition, fees, stipends and ORC).

If you meet these requirements and the contract is successfully terminated, you no longer have a service obligation *for that school year*. Please note, however, that if you received NURSE Corps Scholarship Program support for one or more prior school years, you will still owe service in return for those prior years of support.

**11. Will the changes in reporting and withholding affect my 2017 taxes?**

No. This change in reporting and withholding will go in effect in 2018. If a 2017 school tuition invoice is paid in 2018, it will be included in HRSA's reporting of your 2018 NURSE Corps Scholarship Program "income," and HRSA will withhold federal income and FICA taxes on your NURSE Corps Scholarship Program award payments, including those for tuition.