

NURSE Corps Loan Repayment Program

Formerly known as the Nursing Education Loan Repayment Program

Fiscal Year 2013 Application and Program Guidance January 2013

Application Submission Deadline: February 28, 2013, 7:30 pm EST

For Questions, please call 1-800-221-9393 (TTY: 1-877-897-9910), or email GetHelp@hrsa.gov, Monday through Friday (except Federal holidays) 8:00 am to 8:00 pm EST.

Authority: *Section 846 of the Public Health Service Act (42 United States Code 297(n)), as amended. Future changes in the governing statute, implementing regulations and Program Guidances may also be applicable to your participation in the NURSE Corps Loan Repayment Program (formerly known as the Nursing Education Loan Repayment Program (NELRP)).*

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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 of the Public Health Service Act (42 United States Code 297(n)), as amended.

Purposes and Uses

The purpose of the NURSE Corps Loan Repayment Program (NURSE Corps LRP), *formerly known as the Nursing Education Loan Repayment Program (NELRP)*, is to assist in the recruitment and retention of professional Registered Nurses (RNs) dedicated to working in eligible health care facilities with a critical shortage of nurses or working as nurse faculty in accredited eligible schools of nursing, by decreasing the economic barriers associated with pursuing careers at such critical shortage facilities or in academic nursing. The information applicants provide will be used to evaluate their eligibility for participating in NURSE Corps LRP. In addition, information from other sources will be considered (e.g., credit bureau reports).

An individual's contract, application, required supplemental forms, supporting documentation, correspondences and related data are maintained in a system of records to be used within the U.S. Department of Health and Human Services to monitor NURSE Corps LRP-related activities. The information may also be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the Congress, the National Archives, the Government Accountability Office, and pursuant to court order and various routine uses (see <http://www.hrsa.gov/about/privacyact/09150037.html>).

Effects of Nondisclosure

Disclosure of the information sought is voluntary; however, if not submitted, except for the replies to questions related to Race/Ethnicity (Part II of the online application for NURSE Corps LRP), an application will be considered incomplete and therefore will not be considered for an award under this announcement.

Paperwork Reduction Act Public Burden Statement

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current OMB control number. The current OMB control number for information collected through this application process is 0915-0140 and expires on 04/30/2014. Public reporting burden for this collection is estimated to average 6 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 10-33, Rockville, Maryland 20857.

Discrimination Prohibited

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, sex, sexual orientation, gender identity, disability (physical or mental), age, status as a parent, or genetic information.

Program Overview

INTRODUCTION

What is the NURSE Corps Loan Repayment Program (NURSE Corps LRP)?

The United States continues to experience a nursing shortage that is expected to increase given the aging demographic of the U.S. population and a growing need for health care. Further compounding this problem, U.S. schools of nursing cannot adequately expand enrollment levels due to a shortage of nurse faculty. NURSE Corps LRP assists in addressing these issues.

NURSE Corps LRP, *formerly known as the Nursing Education Loan Repayment Program (NELRP)*, is administered by the Bureau of Clinician Recruitment and Service (BCRS) in the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS). The purpose of NURSE Corps LRP is to assist in the recruitment and retention of professional registered nurses (RNs), including advanced practice registered nurses (i.e., nurse practitioners, certified registered nurse anesthetists, certified nurse midwives, clinical nurse specialists), dedicated to working in health care facilities with a critical shortage of nurses or working as nurse faculty at an accredited eligible school of nursing, by decreasing the financial barriers associated with pursuing a nursing profession. The program offers these RNs substantial financial assistance to repay a portion of their qualifying educational loans in exchange for full-time service at either a health care facility with a critical shortage of nurses or at an accredited eligible school of nursing in the case of nurse faculty.

Up to twenty percent of NURSE Corps LRP funds will be made available for nurse faculty, and up to fifty percent of NURSE Corps LRP funds will be made available for nurse practitioners (NPs). The purpose of these set-asides is to address the key issues as identified above pertaining to the expanding need for health care and the nursing pipeline.

This application and program guidance includes two different contract service options:

- (1) A contract for NURSE Corps LRP participants serving as nurse faculty at an accredited eligible school of nursing; and
- (2) A contract for NURSE Corps LRP participants serving as an RN or advanced practice RN, such as NPs, at a critical shortage facility.

Applicants should read this guidance carefully and identify **one** contract service option of interest and adhere to that option's specific instructions as they are integrated throughout this guidance. Furthermore, applicants should be certain of their contract selection as they will not be able to apply to serve as both NURSE Corps LRP nurse faculty and an RN. Applicants also will not be able to switch to the other service option at any time during their participation in the NURSE Corps LRP under the initial contract or under an optional continuation contract should they receive an award.

What are the benefits of NURSE Corps LRP?

- (1) **Service.** Participants will join the thousands of RNs, NPs, and nurse faculty across the nation to meet the health care needs of underserved communities while ensuring a strong and sustainable nursing workforce for the future.
- (2) **Loan Repayment.** NURSE Corps LRP will provide funds to participants to repay a portion of their outstanding qualifying educational loans. Participants receive the following benefits:

- a. **60 Percent of Total Qualifying Nursing Educational Loan Balance.** For an initial two-year service commitment, NURSE Corps LRP will pay participants a total of 60 percent (30 percent each year) of their total outstanding qualifying educational loan balance incurred while pursuing an education in nursing, as of the effective date of the two-year contract.
- b. **An Additional 25 Percent of Total Qualifying Nursing Educational Loan Balance.** For a third, optional, year of service, subject to the availability of funds, NURSE Corps LRP will pay participants 25 percent of their original total qualifying educational loan balance, as of the effective date of their initial two-year contract.

TAX NOTICE: NURSE Corps LRP payments are subject to Federal taxes. NURSE Corps LRP will withhold Federal income tax and Federal Insurance Contributions Act (FICA) tax (Social Security and Medicare) from a participant's award and pay those taxes directly to the IRS on the participant's behalf. All NURSE Corps LRP payments and Federal taxes withheld will be reported to the participant and the IRS on a Form W-2 after the end of the tax year. These loan repayments may also be subject to State and local income taxes. All loan repayments paid to the participant after Federal tax withholding must be used by the participant to repay qualifying educational loans. A participant's payments to his/her lenders or holders are subject to periodic verification by the NURSE Corps LRP.

Under the Treasury Offset Program, the Treasury Department is authorized to offset NURSE Corps LRP payments for the application to delinquent Federal and State debts, including delinquent child support.

ELIGIBILITY REQUIREMENTS, FUNDING PREFERENCE, & APPLICATION PROCESS

What are the eligibility requirements?

To be eligible for loan repayment, all applicants must:

- (1) Be a U.S. citizen (either U.S. born or naturalized), U.S. National, or Lawful Permanent Resident;
- (2) Have received a bachelor's degree, a master's degree, an associate degree, a diploma, or a doctoral degree in nursing (see Definitions);
- (3) Be employed as a full-time RN, defined as at least 32 hours per week, at a public or private nonprofit Critical Shortage Facility (see page 8);
-OR-
Be employed as a full-time nurse faculty member at an accredited, public or private nonprofit eligible school of nursing;
- (4) Have outstanding qualifying educational loans leading to a diploma or degree in nursing;
- (5) Have completed the nursing education program for which the loan balance applies; and
- (6) Have a current, full, permanent, unencumbered, unrestricted license to practice as an RN in the State in which they intend to practice or be authorized to practice in that State pursuant to the Nurse Licensure Compact.

Please refer to the Nurse Licensure Compact state listing at <http://www.ncsbn.org/158.htm>

NURSE Corps LRP requires Nurse Faculty members to have a current license to practice as an RN, even if it may not be required by the School of Nursing.

Applicants will be deemed ineligible if they:

- (1) Have any judgment liens arising from Federal debt;
- (2) Have an existing service obligation (e.g., under the National Health Service Corps Loan Repayment Program, the Nursing Scholarship Program, the State Loan Repayment Program, the Bureau of Health Professions Nurse Faculty Loan Program, the Faculty Loan Repayment Program, any State-sponsored loan repayment/forgiveness program, any employer-sponsored scholarship or recruitment/retention incentive programs, or Active Duty military obligation) that will not be satisfied by the application submission deadline;

Exception: Individuals in a Reserve component of the Armed Forces, including the National Guard, are eligible to participate in the NURSE Corps LRP. Reservists should understand the following:

- Military training or service performed by reservists will not satisfy the NURSE Corps LRP service commitment. If a participant's military training and/or service, in combination with the participant's other absences from the facility or school of nursing, will exceed 7 weeks (35 workdays) per service year as set forth under Service Requirements (see page 14), the participant should request a suspension of his/her service obligation. The NURSE Corps LRP payments will be stopped while the reservist is on an approved suspension and will resume when the reservist returns to full-time service. The service obligation end date will be extended to compensate for the break in service.
- If the approved facility or school of nursing where the reservist is serving at the time of his/her deployment is unable to reemploy that reservist, the reservist will be expected to complete his/her NURSE Corps LRP service obligation at another eligible, approved facility or school of nursing. The reservist must contact the NURSE Corps LRP to request a transfer and receive approval, in accordance with the transfer policy (see page 16).

- (3) Have defaulted on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, FHA Loans, Federal income tax liabilities, etc.) or non-Federal payment obligations (e.g., court-ordered child support payments, mortgage payments, etc.);
- (4) Have defaulted on a prior service obligation to the Federal, State, or local government, even if they subsequently satisfied that obligation through service, monetary payment or other means;
- (5) Have defaulted on a service obligation under the HHS/HRSA/Bureau of Health Professions Nurse Faculty Loan Program;
- (6) Had any Federal or non-Federal debt written off as uncollectible or had any Federal service or payment obligation waived;
- (7) Are currently excluded, debarred, suspended, or disqualified by a Federal agency from participating in a covered transaction;
- (8) Work for nurse staffing agencies or travel nurse agencies;
- (9) Work on an "as needed" basis (this includes PRNs, Pool Nurses, or other RNs who are not scheduled in a full-time capacity, as defined by NURSE Corps LRP);
- (10) Have a temporary or inactive RN license;
- (11) Are a licensed practical or vocational nurse;
- (12) Are self-employed;
- (13) Have failed to apply all NURSE Corps LRP funds previously received towards their qualifying educational loans; OR
- (14) Work at a for-profit health care facility or school of nursing.

Please be advised that a National Practitioner Data Bank report and a HealthCare Integrity and Protection Data Bank Report may be reviewed as part of the application review process.

What types of educational loans qualify for NURSE Corps LRP?

A NURSE Corps LRP participant will receive funds to repay a portion of the outstanding principal of and interest on qualifying educational loans (see Definitions) obtained by the participant for nurse training costs at the time of the participant's undergraduate and/or graduate qualifying nursing education.

- (1) **Qualifying Educational Loans** include loans obtained for actual costs paid for:
 - a. Tuition, fees, and other reasonable educational expenses (see Definitions) for qualifying nursing education; and
 - b. Reasonable living expenses (see Definitions) incurred while enrolled in qualifying nursing education.

Examples of qualifying educational loans include: Nursing Student Loans that are not subject to cancellation, Stafford Loans, and Supplemental Loans for Students.

- (2) **Consolidated Loans** may also be eligible within the following guidelines:
 - a. The consolidated/refinanced loan must be from a Government (Federal, State, or local) or commercial lender and must include only qualifying educational loans of the applicant.
 - b. If an otherwise eligible educational loan of the applicant is consolidated/refinanced with ineligible (non-qualifying) debt of the applicant or loans of another individual, no portion of the consolidated/refinanced loan will be eligible for loan repayment.
 - c. The original loan dates of the consolidated loans must have taken place during the applicant's qualifying nursing education.
- (3) **Non-Qualifying Loans** include but are not limited to:
 - a. Loans for which the applicant incurred a service obligation as a nurse or nurse faculty, which will not be fulfilled by the NURSE Corps LRP application deadline.
 - b. Loans obtained for training in vocational or practical nursing.
 - c. Loans obtained from family members, or from private institutions or other entities that are not subject to Federal or State examination and supervision as lenders.
 - d. Loans made prior to or after the applicant's qualifying nursing education.
 - e. Loans obtained for non-nursing education or for courses taken toward a non-nursing degree that may later qualify as a prerequisite for a nursing program.
 - f. Loans that have been paid in full.
 - g. Parent PLUS Loans (made to parents).
 - h. Credit Cards or Personal Lines of Credit.
 - i. Federal Perkins Loans (unless the applicant can provide documentation as indicated in the Instructions for Supplemental Forms and Supporting Documentation that such loans are not subject to cancellation).
 - j. Nursing Student Loans and Nurse Faculty Loan Program loans that are subject to cancellation.

Does my facility or school qualify as a service site under NURSE Corps LRP?

- (1) **For a NURSE Corps LRP participant serving as a nurse faculty:** A NURSE Corps LRP nurse faculty participant is required to work at an accredited public or private nonprofit eligible school of nursing.

Accredited. The NURSE Corps LRP considers a school of nursing to be accredited if it is accredited by a national or regional nurse education accrediting agency or state approval agency recognized by the Secretary of the U.S. Department of Education. These agencies include but are not limited to:

- Commission on Collegiate Nursing Education;
- National League for Nursing Accrediting Commission;
- Accreditation Commission for Midwifery Education;
- National Association of Nurse Practitioners in Women’s Health, Council on Accreditation;
- Council on Accreditation of Nurse Anesthesia Educational Programs;
- Kansas State Board of Nursing;
- Maryland Board of Nursing;
- Missouri State Board of Nursing;
- North Dakota Board of Nursing; and
- New York State Board of Regents, State Education Department, Office of the Professions (Nursing Education).

For a complete list of agencies recognized by the Secretary of the U.S. Department of Education, please visit: <http://ope.ed.gov/accreditation/Agencies.aspx>

- (2) **For a NURSE Corps LRP participant serving as an RN or an advanced practice RN, such as an NP:** A NURSE Corps LRP RN or advanced practice RN participant is required to work at a Critical Shortage Facility (see below). The facility must be a public or private nonprofit entity.

Critical Shortage Facility (CSF) – a health care facility located in, designated as, or serving a primary medical care or mental health Health Professional Shortage Area (HPSA).

Health care facilities include:

- a. **Critical Access Hospital (CAH).** A facility that is (a) located in a State that has established with the Centers for Medicare and Medicaid Services (CMS) a Medicare rural hospital flexibility program; (b) designated by the State as a CAH; (c) certified by the CMS as a CAH; and (d) in compliance with all applicable CAH conditions of participation. For more information, please visit: http://www.cms.hhs.gov/Certificationandcompliance/04_CAHs.asp.
- 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 services are included under this definition. For more information, please visit: http://www.cms.hhs.gov/AcuteInpatientPPS/05_dsh.asp#TopOfPage.
- c. **Public Hospital.** Any hospital that is owned by a government (Federal, State, or Local) and receives government funding and is primarily engaged in providing, 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. Hospital-based outpatient services are included under this definition.

- d. **Federally Qualified Health Center (FQHC).** FQHCs include: (1) nonprofit entities that receive a grant, or funding from a grant, under section 330 of the Public Health Service Act to provide primary health services and other related services to a population that is medically underserved; (2) FQHC “Look-Alikes” which are nonprofit entities that are certified by the Secretary of HHS as meeting the requirements for receiving a grant under section 330 of the Public Health Service Act but are not grantees; 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. FQHCs include Community Health Centers, Migrant Health Centers, Health Care for the Homeless Health Centers, and Public Housing Primary Care Health Centers. For more information, please visit: <http://findahealthcenter.hrsa.gov>.
- e. **Indian Health Service Health Center.** A health care facility (whether operated directly by the Indian Health Service or by a tribe or tribal organization, contractor or grantee under the Indian Self-Determination Act, as described in 42 Code of Federal Regulations (CFR) Part 136, Subparts C and H, or by an urban Indian organization receiving funds under Title V of the Indian Health Care Improvement Act) that is physically separated from a hospital, and which provides clinical treatment services on an outpatient basis to person of Indian or Alaskan Native descent as described in 42 CFR Section 136.12. For more information, please visit: <http://www.ihs.gov>.
- f. **Native Hawaiian Health Center.** An entity: (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, please see the Native Hawaiian Health Care Act of 1988 (Public Law 100-579), as amended by Public Law 102-396, and <http://healthfinder.gov/orgs/HR3600.htm>.
- g. **Rural Health Clinic.** An entity that the Centers for Medicare and Medicaid Services has certified as a rural health clinic under section 1861(aa)(2) of the Social Security Act. A rural health clinic provides outpatient services to a non-urban area with an insufficient number of health care practitioners. For more information, please visit: <http://www.cms.hhs.gov/center/rural.asp>.
- h. **Skilled Nursing Facility (SNF).** An institution (or a distinct part of an institution), certified under section 1819(a) of the Social Security Act, that is primarily engaged in providing skilled nursing care and related services to residents requiring medical, rehabilitation, or nursing care and is not primarily for the care and treatment of mental diseases. For more information, please visit: <http://www.cms.hhs.gov/center/snf.asp>.
- i. **State or Local Public Health or Human Services Department.** The State, county, parish, or district entity in a State that is responsible for providing population-focused health services which include health promotion, disease prevention, and intervention services provided in clinics or other health care facilities that are operated by the Department.
- j. **Ambulatory Surgical Center.** An entity in a State that provides surgical services to individuals on an outpatient basis and is not owned or operated by a hospital.
- k. **Home Health Agency.** An agency or organization, certified under section 1861(o) of the Social Security Act that is primarily engaged in providing skilled nursing care and other therapeutic services. For more information, please visit: <http://www.cms.hhs.gov/center/hha.asp>.

- l. **Hospice Program.** An agency or organization, certified under section 1861(dd)(2) of the Social Security Act, 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.
- m. **Non-Disproportionate Share Hospital.** An institution in a State that is primarily engaged in providing 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, of (b) rehabilitation of injured, disabled, or sick persons. Hospital-based outpatient services are included under this definition.
- n. **Nursing Home.** An institution (or a distinct part of an institution), certified under section 1919(a) of the Social Security Act, that is primarily engaged in providing, on a regular basis, health related care and service to individuals who because of their mental or physical condition require care and service (above the level of room and board) that can be made available to them only through institutional facilities, and is not primarily for the care and treatment of mental diseases. For more information, please visit: <http://www.medicare.gov/Nursing/Overview.asp>.

Note: The health care facilities listed above are critical shortage facilities only if they are located in, designated as, or serving a primary medical care or mental health HPSA.

Ineligible facilities include, but are not limited to:

- a. Free-standing clinics that do not qualify as a facility above;
- b. Renal dialysis centers;
- c. Private practice offices;
- d. Assisted living facilities;
- e. Clinics in prisons and correctional facilities; and
- f. Private for-profit facilities.

If an applicant is not sure whether a facility fits into one of the categories above, please contact the facility's business office or human resources department.

What is a HPSA and how do I locate my facility's HPSA score?

Health Professional Shortage Areas (HPSAs) are designated by HRSA as having shortages of primary medical care, dental or mental health providers and may be geographic, population, or institutional. NURSE Corps LRP will only be using primary medical care and mental health HPSA designations and scores. Facilities must have a HPSA designation by January 1, 2013 to be considered a Critical Shortage Facility and an eligible service site for NURSE Corps LRP participants. The HPSA score as of January 1, 2013 will be the score used throughout the 2013 NURSE Corps LRP application cycle to determine funding preference tiers (see below). However, should a facility lose its HPSA designation any time prior to when awards are made, the facility will not be considered a CSF and the applicant will be ineligible for an award.

To identify the facility's HPSA score as of January 1, 2013, applicants are requested to visit:

- <http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx>: Enter the facility's address to see if the facility is located in a HPSA. Please note that once the results are

generated, the facility **MUST** be located in a primary medical care or mental health HPSA. More specifically, “Yes” must appear beside “In a Primary Care (or Mental Health) Health Professional Shortage Area.” The primary care/mental health HPSA score(s) will appear beneath the respective designation(s).

- <http://hpsafind.hrsa.gov>: Find HPSAs by State, county, and discipline (select only primary medical care or mental health).

Note: If a facility has more than one type of HPSA designation with different scores, NURSE Corps LRP will use the highest score.

How does NURSE Corps LRP determine which nurses will receive loan repayment?

Historically, the number of qualified applicants has exceeded available NURSE Corps LRP funding. Consequently, the program uses funding preferences to determine the sequential order in which qualified applicants are considered for an award. A funding preference will be given to applicants with the greatest financial need, defined as those qualified applicants whose debt to salary ratio (i.e., total qualifying educational loans divided by base annual salary) is 20 percent or greater. Applicants will then be grouped into funding preference tiers as described in the tables below. Starting with the first tier, awards will be made in order of decreasing debt to salary ratio until funds are expended.

- (1) **For nurse faculty**, qualified applicants will be grouped into one of the funding preference tiers based on the factors described in the table below.

Debt to Salary Ratio	Schools of Nursing	Funding Preference Tiers
20 percent or above	Schools of Nursing with at least 50 percent enrollment of students from a disadvantaged background	Tier 1
	All other Schools of Nursing	Tier 2
Below 20 percent	Schools of Nursing with at least 50 percent enrollment of students from a disadvantaged background	Tier 3
	All other Schools of Nursing	Tier 4

An individual from a **disadvantaged background** is defined as someone who (1) comes from an environment that has inhibited the individual from obtaining the knowledge, skills, and abilities required to enroll in and graduate from a health professions or nursing school (Environmentally Disadvantaged) OR (2) comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Census Bureau, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of Health and Human Services (HHS) for adaptation to this program (Economically Disadvantaged).

Please refer to Definitions on page 28 for examples of environmentally/economically disadvantaged backgrounds.

- (2) **For registered nurses, including advanced practice registered nurses such as NPs**, qualified applicants will be grouped into one of the funding preference tiers based on factors described in

the table below. An applicant's debt to salary ratio, the type of facility where the applicant is working, and the facility's HPSA score are used to determine the tier in which the applicant is placed. Starting with the first tier, awards will be made in order of decreasing debt to salary ratio until funds are expended.

Debt to Salary Ratio	Type of Facility	Critical Shortage Facility HPSA Score as of January 1, 2013	Funding Preference Tiers
20 percent or above	Critical Access Hospital; Disproportionate Share Hospital; Federally Qualified Health Center; Indian Health Service Health Center; Public Hospital; Native Hawaiian Health Center; Rural Health Clinic; Skilled Nursing Facility; State or Local Public Health or Human Services Department	Primary Care or Mental Health HPSA Score 14 or above	Tier 1
		Primary Care or Mental Health HPSA Score between 10 – 13	Tier 2
		Primary Care or Mental Health HPSA Score between 0 – 9	Tier 3
	Ambulatory Surgical Center; Nursing Home; Home Health Agency; Hospice Program; Nonprofit, Non-Disproportionate Share Hospital	Primary Care or Mental Health HPSA Score between 0-25	Tier 4
Below 20 percent	Critical Access Hospital; Disproportionate Share Hospital; Federally Qualified Health Center; Indian Health Service Health Center; Public Hospital; Native Hawaiian Health Center; Rural Health Clinic; Skilled Nursing Facility; State or Local Public Health or Human Services Department	Primary Care or Mental Health HPSA Score 14 or above	Tier 5
		Primary Care or Mental Health HPSA Score between 10 – 13	Tier 6
		Primary Care or Mental Health HPSA Score between 0 – 9	Tier 7
	Ambulatory Surgical Center; Nursing Home; Home Health Agency; Hospice Program; Nonprofit, Non-Disproportionate Share Hospital	Primary Care or Mental Health HPSA Score between 0-25	Tier 8

Example –Amanda completed her nurse practitioner program in May 2010. Her current outstanding qualifying educational loan debt totals \$26,683.57. Amanda works as an NP at a Community Health Center with a primary medical care HPSA score of 10, and her base annual salary is \$51,001.

Tom is also an NP and works at the Maryland Department of Health and Mental Hygiene with a mental HPSA score of 12. His base annual salary is \$46,238.40 and has outstanding qualifying educational loan debt totaling \$17,465.04.

Since Amanda and Tom both work at a CSF with a HPSA score between 10 and 13, they will be placed in Tier 2. However, because Amanda has a debt to salary ratio of 52.32 percent, which is greater than Tom's debt to salary ratio of 37.77 percent, Amanda will be funded before Tom, if funds are still available. Although Tom's facility has a higher HPSA score, it does not place him at an advantage of being funded prior to Amanda because they fall within the same Tier. In another scenario, if the CSF Tom works at had a HPSA score of 15, Tom would be funded before Amanda because the HPSA score places him in Tier 1.

What should I know before I apply?

In FY 2012, NURSE Corps LRP received 5,610 eligible applications and made 506 initial awards to RNs working at Critical Shortage Facilities and 214 initial awards to nurse faculty working at accredited eligible schools of nursing, for a total of \$34 million.

The deadline for submitting an application is: **February 28, 2013**. Applicants will be notified by October 2013 whether or not they received an award.

What should I expect if I am selected as a possible recipient of a NURSE Corps LRP award?

NURSE Corps LRP frequently corresponds with applicants by email. It is critical that applicants use and maintain a current email address. Please check your email during the application process for correspondence from NURSE Corps LRP and make certain to disable SPAM blockers (or check the SPAM folder).

If your application is approved, NURSE Corps LRP will notify you by email that you have been identified as a possible recipient of a NURSE Corps LRP award. You will be asked to verify whether you are still working full-time at the CSF or school of nursing identified in your online application. You will then be required to complete the additional required forms (i.e., NURSE Corps LRP contract and banking information to facilitate electronic transfer of award funds) via the BCRS Program Portal. This notification does not guarantee an award.

There are two separate NURSE Corps LRP contracts: one for RNs, including advanced practice registered nurses such as NPs, serving at a CSF and one for RNs serving as nurse faculty at an accredited eligible school of nursing. Once you enter into a NURSE Corps LRP contract that provides for a particular type of service (service at a CSF **or** at a school of nursing), you will not be allowed to switch to the other type of service during the initial 2-year service period or the third optional service year.

If an applicant is selected for a NURSE Corps LRP award, the individual's contract is countersigned by the Secretary of Health and Human Services or his/her designee. Please note that a contract is not effective until signed/executed by the Secretary or his/her designee. An awardee will receive an award notice via email, and then be able to download the award letter, a copy of the awardee's fully signed contract, a Payment Authorization Worksheet (PAW), and a welcome packet from the BCRS Program Portal.

Award payments are made monthly over 24 months through an electronic funds transfer to the participant's checking or savings account identified on the banking information submitted by the participant. The first direct deposit is made approximately 30 days after the effective date of the contract.

Individuals who are uncertain that they will be able to fulfill a two-year service commitment under NURSE Corps LRP are advised not to apply to this program. An awardee who fails to begin or complete his or her service obligation will be placed in default and subject to the monetary damages specified in the NURSE Corps LRP contract.

Important Requirements:

- (1) Participants must use the NURSE Corps LRP payments to pay the lenders or holders of their qualifying educational loans, as indicated on a PAW that will be provided to participants with their award notice. Periodically, NURSE Corps LRP will contact a participant's lenders or holders to verify that award payments have been applied to NURSE Corps LRP approved loans.
- (2) Participants must immediately notify NURSE Corps LRP, via the BCRS Program Portal, of any changes in mailing address, email address, name, or financial institution (bank) information to ensure an uninterrupted flow of loan repayment funds. Participants must also notify NURSE Corps LRP of any changes in service site and/or employment status. In the case of a name change, please provide legal documentation, such as a copy of a marriage certificate.
- (3) If for any reason a participant does not receive a scheduled payment, the participant should contact NURSE Corps LRP as soon as possible through the BCRS Program Portal, phone (1-800-221-9393), or email (GetHelp@hrsa.gov). Please be advised that if NURSE Corps LRP has any questions concerning a participant's eligibility for continuing payments, NURSE Corps LRP will delay payments pending clarification of the participant's eligibility status.

SERVICE REQUIREMENTS

What are the service requirements?

- (1) For Nurse Faculty who apply to serve at an accredited eligible school of nursing: Nurse Faculty under NURSE Corps LRP must provide full-time service as a nurse faculty member at the school of nursing for a period of two consecutive years beginning on the effective date of the contract. Full-time service is working full-time (as defined by the employer) as a nurse faculty member for a minimum of 9 months per service year. No more than 7 weeks (35 workdays) of the participant's scheduled work period (9 to 12 months) per service year may be spent away from the school of nursing for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason.

Nurse Faculty are encouraged to promote health care careers in underserved areas. This can be done via presentations to students, student organizations or other community based organizations to provide information about nursing and/or other health care professions.

- (2) For RNs, including advanced practice registered nurses such as NPs, who apply to serve at a CSF: RNs under NURSE Corps LRP must provide full-time service, defined as working as an RN for at least 32 hours per week for two consecutive years beginning on the effective date of the contract. No more than 7 weeks (35 workdays) per service year may be spent away from the facility for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason.

For ALL NURSE Corps LRP participants, the following requirements apply:

- (1) Participants must retain a current full, permanent, unencumbered, unrestricted license as an RN during the two-year service obligation to receive service credit under the NURSE Corps LRP;
- (2) No service credit will be given for employment before the effective date of the NURSE Corps LRP contract. The effective date of a contract award is the date the contract is countersigned by the Secretary or his/her designee; and
- (3) If an applicant fails to commence full-time service on the effective date of the contract at the CSF or school of nursing identified in the application, he/she may be placed in default.

Continuation Contract. NURSE Corps LRP participants may be eligible for a third year of loan repayment in exchange for an additional year of service as an RN at a CSF or as a faculty member at an eligible accredited school of nursing, subject to the availability of funds. The following conditions must be met to be eligible for a continuation contract:

- (1) A participant must submit an application for a continuation through the BCRS Program Portal no later than 30 days prior to the end of the second service year;
- (2) A participant must continue to serve at an approved eligible CSF or accredited school of nursing as set forth in his or her initial 2-year contract;

If the participant's site has lost its HPSA designation and thus is no longer a CSF, as defined in this FY 2013 APG, or the nursing programs at the participant's current school are no longer accredited, a continuation contract will not be awarded. If such a participant wants to continue in NURSE Corps LRP, he or she must request and receive written prior approval to transfer to another eligible CSF or school of nursing **prior** to submitting his/her continuation contract request. Note that moving expenses will not be paid.

- (3) A participant must have a current, full, permanent, unencumbered, unrestricted license as an RN and retain it during the one-year service obligation;
- (4) NURSE Corps LRP payments received after Federal tax withholding under the NURSE Corps LRP two-year contract must have been applied to reduce the original qualifying educational loan balances, as indicated on the PAW that participants received with their initial award letter. A participant's loan balances will be verified and a payment history from his or her lender(s)/holder(s) will be required. Failure to apply all NURSE Corps LRP payments to reduce the original qualifying educational loan balance will result in the denial of a request for a continuation contract;
- (5) A participant must not have an existing service obligation (including any under state-sponsored loan repayment/forgiveness programs; or under employer-sponsored scholarship or recruitment/retention incentive programs) other than NURSE Corps LRP; and
- (6) A participant must continue to meet all other program eligibility criteria, must be in full compliance with his or her existing NURSE Corps LRP service obligation, and must be planning to work for the duration of the continuation contract at the same approved eligible CSF or accredited school of nursing.

Under a continuation contract, participants will receive an amount equal to 25 percent of their original qualifying educational loan balance. The continuation contract service period must begin immediately following the completion of the initial 2-year service commitment.

Note that participants are not guaranteed a continuation contract. Continuation contracts are subject to the availability of funds.

Will I earn a salary during my service obligation?

NURSE Corps LRP participants will receive salary and benefits from the employing Critical Shortage Facility, professional group, or school of nursing. Employment compensation packages may be negotiated between the nurse and the employer. The facility, professional group, or school of nursing cannot guarantee a NURSE Corps LRP award. Therefore, NURSE Corps LRP loan repayments should not be a part of any salary negotiations between the nurse and the employer.

May I be absent from my site and receive service credit?

No more than 7 weeks (35 workdays) per service year, as set forth above, may be spent away from the facility or school of nursing for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. NURSE Corps LRP-approved absences totaling greater than 7 weeks (35 workdays) in a service year will require an extension of the contract end date.

How does the NURSE Corps LRP verify my service?

The NURSE Corps LRP verifies every 6 months that participants are meeting program requirements and fulfilling their service obligation. The In-Service Verification (ISV) is completed by both the participant and the approved CSF or school of nursing through the BCRS Program Portal. By completing and electronically signing the verification, the participant and the site are certifying the participant’s compliance or noncompliance with the applicable service requirements during that 6-month period. The verification will also record the time spent away from the service site, e.g., the total number of days during the 6-month period that the participant fell below the minimum service requirement.

Participants who fail to complete and submit their six-month ISV forms on time jeopardize receiving service credit, which may lead to a recommendation for default. It may also impact eligibility for a continuation contract.

Please note: Advanced practice registered nurses (NPs, CRNAs, CNMs, CNSs) employed by a professional group should have the ISV filled out by the CSF, not the professional group.

CHANGING JOBS

What steps do I need to take if I want to transfer to a different Critical Shortage Facility or school of nursing prior to completing my service?

NURSE Corps LRP expects that a participant will fulfill his or her service obligation at the initial CSF or school of nursing; however, NURSE Corps LRP understands that circumstances may arise resulting in a participant’s need to leave the initial facility or school of nursing and complete service at another approved site. If a participant feels he or she can no longer continue working at the facility or school of nursing, the participant should contact the NURSE Corps LRP immediately through the BCRS Program Portal, phone (1-800-221-9393), or email (GetHelp@hrsa.gov). If the participant leaves his/her service site without prior written approval of the NURSE Corps LRP, he/she may be placed in default.

How do I request a transfer to another facility or school of nursing?

If a participant needs a transfer to another site, the participant must notify the NURSE Corps LRP through the BCRS Program Portal before leaving the facility or school of nursing. The request should include: (a) the reason for the transfer; (b) a letter/certification from the facility or school of nursing where the participant is requesting to transfer to (i.e., the new site) verifying the facility type and indicating if the facility or school is a private nonprofit, private for-profit, or public/government-owned. Please note that if the facility or school of nursing is private for-profit, the transfer request will not be approved, as NURSE Corps LRP participants must fulfill their service commitment at a public or private nonprofit critical shortage facility or eligible school of nursing. (See page 7 for qualifying service sites.)

Participants will receive an official decision in writing from the NURSE Corps LRP regarding the approval or denial of a transfer request. Leaving the approved service site without prior NURSE Corps LRP approval will result in immediate suspension of payments until the NURSE Corps LRP: (a) receives all required forms and supporting documentation verifying the transfer site's status and the participant's full-time employment, and (b) approves the participant's transfer request.

The following are additional requirements applicable to transfer requests:

- (1) Participants who sign a contract to serve at a CSF or as nurse faculty at a school of nursing must transfer to an eligible CSF or accredited school of nursing that falls in the same funding preference tier the participant was awarded in or higher, as listed in the applicable NURSE Corps LRP Guidance in effect at the time of the transfer request. For example, if a participant was awarded in Tier 2, then the participant may only transfer to a site that meets the Tier 2 or Tier 1 requirements. Participants should contact NURSE Corps LRP to ensure that the CSF or school of nursing they are interested in transferring to is an approvable transfer site.
- (2) NURSE Corps LRP payments will not be interrupted if there is a break in service between the initial site and the approved transfer site of less than 30 days. However, if the participant fails to resume service within 30 days of the stop-work date at the initial facility or school of nursing, the NURSE Corps LRP will stop all loan repayments. Once the participant begins full-time service at another approved CSF or school of nursing, the service end date will be extended accordingly and loan repayments will resume;
- (3) If a participant ceases full-time employment at the initial site and does not resume service at an eligible approved facility or school of nursing within 60 days, the participant will be recommended for default.
- (4) An electronic Employment Verification will be delivered to the Point of Contact (POC) at the new site. The POC must fill out this form completely via the BCRS Program Portal.

BREACHING THE CONTRACT

What if I breach my NURSE Corps LRP contract?

The NURSE Corps LRP encourages participants to immediately contact the NURSE Corps LRP if a situation arises in which a participant is potentially unable to fulfill his/her service obligation. The NURSE Corps LRP will work with participants to assist them to the extent possible to avoid a breach and fulfill the service obligation. A participant who breaches the NURSE Corps LRP contract by failing to begin or complete the required NURSE Corps LRP service obligation will be placed in default. The following applies to those who breach their NURSE Corps LRP contract:

- (1) **Breach of Initial Contract.** A participant who fails to begin or complete his/her initial two-year contract is liable to repay all the NURSE Corps LRP payments received (including amounts withheld for Federal taxes), plus interest at the maximum legal prevailing rate from the date of the participant's breach. Breach of contract will permanently disqualify the individual from receiving future awards under the NURSE Corps LRP and some other Federal programs.
- (2) **Breach of Continuation Contract.** A participant who enters into a one-year continuation contract but fails to begin or complete his/her obligation is liable to repay all the NURSE Corps LRP payments received for the third year of service (including amounts withheld for Federal taxes), plus interest at the maximum legal prevailing rate from the date of the participant's breach. Breach of contract will permanently disqualify the individual from receiving future awards under the NURSE Corps LRP and some other Federal programs.

Any indebtedness owed to the Federal government is due within three years of the participant's service breach date. The debt amount will be subject to interest at the maximum legal prevailing rate from the date of the breach until paid in full. Other charges and penalties for delinquent or past due payments may be assessed.

SUSPENSION & WAIVER

What should I do if I feel I cannot continue my service or payment obligation?

The Secretary of Health and Human Services may, under certain circumstances, suspend (put "on hold") or waive (excuse) the NURSE Corps LRP service or payment obligation. A request for a suspension or waiver must be submitted through the BCRS Program Portal. Additional supporting documentation will be required following submission of the request.

- (1) Suspension. This mechanism provides temporary relief to a NURSE Corps LRP participant if he/she has short-term (not permanent) circumstances that currently make 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 NURSE Corps LRP service obligation end date.

All periods of time away from the approved facility or school of nursing should be documented by the participant's service site on the six-month service verification form. If the total time away from the site, including the period of suspension, exceeds 7 weeks (35 workdays) per service year (see Service Requirements on page 14), the service obligation end date will be extended accordingly.

The major categories of service suspensions are set forth below.

- a. **Leave of Absence for Medical or Personal Reasons** – 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 circumstances, including a terminal illness of an immediate family member, which results in the participant's temporary inability to perform the NURSE Corps LRP obligation. Upon receipt of the suspension request, the NURSE Corps LRP will notify the participant of instructions for submitting supporting documentation.

- b. **Maternity/Paternity/Adoption Leave** – Participants must notify the NURSE Corps LRP of pending maternity/paternity/adoption leave and provide appropriate documentation. Maternity/paternity/adoption leave of 12 weeks or less will be automatically approved, if properly documented. If the participant’s maternity/paternity/adoption leave will exceed 12 weeks during that service year, a suspension may be granted by the NURSE Corps LRP 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 NURSE Corps LRP. 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 NURSE Corps LRP service obligation.
- (2) **Waiver.** A waiver permanently relieves the participant of all or part of the NURSE Corps LRP 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 BCRS through the Program Portal. The participant will be contacted by the BCRS Office of Legal and Compliance regarding the medical and financial documentation necessary to complete the waiver request, and this documentation can be submitted through the BCRS Program Portal. Note that waivers are not routinely granted, and require a showing of compelling circumstances.

When would my service obligation be cancelled?

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

Apply Now

TIPS & IMPORTANT DATES

What should I do before I apply?

Please read the *Application and Program Guidance* in its entirety before proceeding with an application. It explains the contractual obligations of the Secretary of Health and Human Services and NURSE Corps LRP participants. Be sure you understand the obligation to serve full-time for 2 years at an eligible Critical Shortage Facility or school of nursing and the financial consequences of failing to perform that obligation. Applicants are strongly encouraged to print and retain a copy of the *Application and Program Guidance* for reference.

When is the application deadline?

A complete electronic application must be submitted by **7:30 pm EST on February 28, 2013**. All supporting documentation for the application must be uploaded before you can submit a complete application package. Also, the electronic Employment Verification (EV) (see below) must also be completed before an applicant can submit his or her application. Upon completion and submission of the online application, applicants will receive a printable receipt indicating a successful submission.

What materials will I need when I apply?

To apply to the NURSE Corps LRP, you must submit a complete application package consisting of:

(1) **Online Application**

The information collected in the online application will provide an initial ranking of your application for purposes of the funding preference tiers. On the online application, you will be required to select the site at which you are employed and initiate an electronic Employment Verification (EV) that the Point of Contact (POC) at your site will complete.

(2) **Supporting Documents**

SUPPORTING DOCUMENTS
Proof of U.S. Citizenship, U.S. National, or Lawful Permanent Resident
Loan Documentation (including Loan Information & Verification Form)
Authorization for Release of Employment Information
Authorization to Release Information
Transcripts
Curriculum Vitae/Resume
Documentation that Perkins loans are not eligible for cancellation (if applicable)

Application packages deemed incomplete (e.g., missing, illegible, or incomplete application materials) as of February 28, 2013 will not be considered for a NURSE Corp LRP award. **NURSE Corps LRP staff will not fill in any missing information or contact applicants regarding missing information.**

You are **strongly encouraged** to upload all supporting documents in PDF format to expedite processing of your application. You will be able to view the uploaded documents; it is your responsibility to ensure that the information uploaded is accurate and viewable. When uploading documents to your online

application, please be sure that they do not exceed 5MB as the system cannot handle larger documents. Multiple-paged documents should be scanned and saved into one document.

Once the online application has been submitted, applicants will have an opportunity to make edits to their online application and resubmit their application by the application deadline (February 28, 2013, 7:30 PM EST). The ability to edit and resubmit an application will be disabled after the application deadline. Applications not resubmitted by this deadline will not be considered for an award. No exceptions will be made in cases where an applicant fails to resubmit an edited application. The “edit” option will be available in the applicant’s account on the “Submitted” page.

INSTRUCTIONS

1. **Instructions for the Online Application**

Instructions for completing the application are provided as necessary when an applicant is completing it online. It is strongly recommended that before you attempt to complete the online application you:

- Review the *Application and Program Guidance* completely;
- Download and complete all required and applicable Supporting Documents;
- Develop a list of all institutions (diploma, associate, college, university) where loans were incurred towards your nursing degree for those loans being submitted for loan repayment. Applicants will be asked to provide the type of degree received, the school name and address, the attendance start and end dates, and the graduation date if applicable; and
- Develop a Curriculum Vitae (CV)/Resume, which documents all education, training, and degrees, and accounts for all time periods/employment since the applicant’s completion of a qualifying health profession education.

On the online application, you will be required to select the site at which you are employed and initiate an electronic Employment Verification (EV) that the Point of Contact (POC) at your site will complete.

- a. **Employment Verification for RNs Serving at a CSF.** Once you “initiate” the EV process, a notification will be sent to the Point of Contact (POC) at the CSF Site selected in the application to complete the online form. If the POC does not submit a completed EV, the NURSE Corps LRP application is considered incomplete and you will not be able to submit the application.

You will be notified by email when your Employment Verification status is “complete” (when the POC submits the EV). You will then be able to submit your application. Upon submission, you will be able to view the EV information provided by the POC.

Information submitted on the EV by the POC **must** match the following information as indicated in your online application:

- CSF Site Information
- Applicant’s Licensure Information
- Applicant’s Employment Status: Full-Time (32 hours/week) or Less than Full-Time

If the information in the online application and the EV do not match, you will be able to submit the NURSE Corps LRP application, but the application will be considered ineligible. In such

instances, you may correct any mistakes on the information provided on the application or re-initiate the EV to the POC for correction prior to the February 28, 2013 7:30pm EST deadline.

If you are unable to locate your CSF site in the BCRS database, you must notify the NURSE Corps LRP via email at NELRPSiteNotFound@hrsa.gov so that the site can be added. The process to add a CSF Site can take up to 2 business days. Without the correct CSF Site in the BCRS database, the electronic EV cannot be initiated.

Important Notes:

- Initiation of the CSF Site request to submission of the electronic EV by the POC can take up to 5 business days or longer; therefore it is recommended that you initiate the EV process as soon as possible.
- Applications not submitted by the February 28 deadline will not be processed. The deadline will not be extended due to delayed receipt of the EV. It is your responsibility to ensure that a new site request and/or EV are submitted in advance to allow sufficient time for processing.
- For Certified Registered Nurse Anesthetists (CRNAs), Certified Nurse-Midwives (CNMs), and Nurse Practitioners (NPs) employed by a Professional Group that practices at a CSF, the facility should complete the EV, not the professional group.

b. Employment Verification for Nurse Faculty

Once you “initiate” the electronic EV process, a notification will be sent to the Point of Contact (POC) at the school of nursing selected in the application to complete the online form. If the POC does not submit a completed EV, the NURSE Corps LRP application is considered incomplete and you will not be able to submit the application.

You will be notified by email when your Employment Verification status is “complete” (i.e., when the POC submits the EV). You will then be able to submit your application. Upon submission, you will be able to view the EV information provided by the POC.

Information submitted on the EV by the POC **must** match the following information as indicated in your online application:

- School Information
- Applicant’s Licensure Information
- Applicant’s Employment Status: Full Time or Part Time

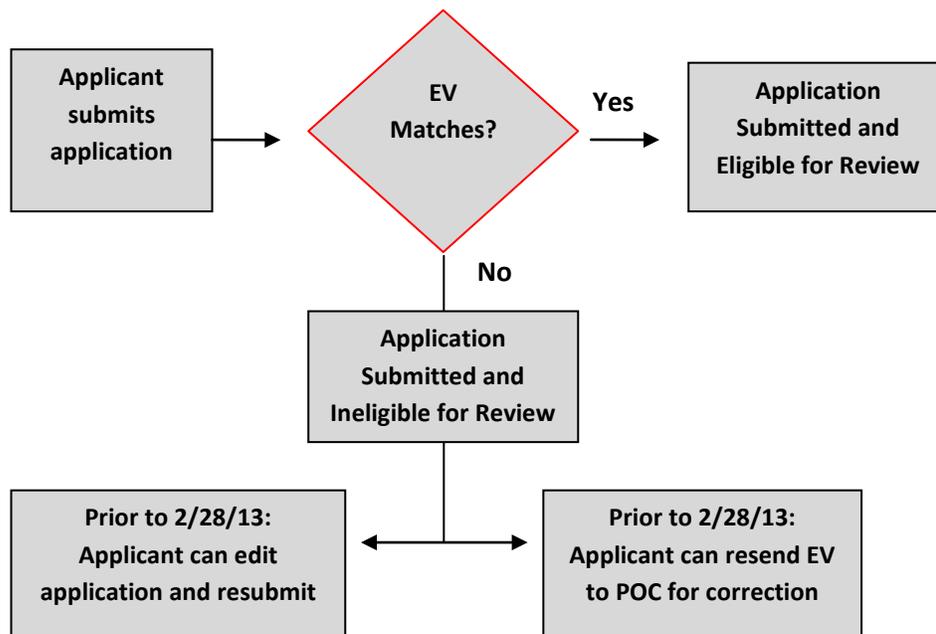
If the information in the online application and the EV do not match, you will be able to submit the NURSE Corps LRP application, but your application will be considered ineligible. In such instances, you may correct any mistakes on the information provided on the application or re-initiate the EV to the POC for correction prior to the February 28, 2013 7:30pm EST deadline.

If you are unable to locate your school of nursing in the BCRS database, you must notify the NURSE Corps LRP via email at NELRPSiteNotFound@hrsa.gov so that the site can be added. The process to add a school of nursing can take up to 2 business days. Without the correct school of nursing in the BCRS database, the EV cannot be initiated.

Important Notes:

- Initiation of the Site request to submission of the EV by the POC can take up to 5 business days or longer; therefore it is recommended that you initiate the electronic Employment Verification process as soon as possible.
- Applications not submitted by the February 28 deadline will not be processed. The deadline will not be extended due to delayed receipt of the EV. It is your responsibility to ensure that the new site request and/or EV are submitted in advance to allow sufficient time for processing.
- The NURSE Corps LRP is aware that not all schools of nursing require nurse faculty to maintain a current, full, permanent, unencumbered, unrestricted license; however, the NURSE Corps LRP requires participants to maintain an RN license while participating in the program. If your school of nursing does not require you to maintain an RN license, please be advised that you must do so to meet the NURSE Corps LRP eligibility requirements. It is your responsibility to make sure the POC has your current licensure information to complete the EV.
- If the School of Nursing has a student enrollment from disadvantaged backgrounds of at least 50%, the POC must submit appropriate documentation to the BCRS Program Portal certifying that at least 50% of its students come from an environmentally or economically disadvantaged background (see Definitions).

Employment Verification Steps to Completion



2. Instructions for Supporting Documents

- a. **Proof of U.S. Citizenship, U.S. National, or Lawful Permanent Resident.** Applicants must provide proof of U.S. citizenship or status as a U.S. National or Lawful Permanent Resident (e.g., U.S. birth certificate, a copy of a certificate of citizenship or naturalization, U.S. passport ID page,

or Green Card).

- b. **Loan Documentation.** Please review the types of loans that qualify and do not qualify for repayment under the NURSE Corps LRP in the Program Overview section of the *Guidance* under Eligibility Requirements.

Overview

Applicants must include all loans for undergraduate and/or graduate nursing education they wish to be considered with the application. Only those loans submitted with the application will be considered for repayment. **All loan documentation obtained from a lender or downloaded from a lender's website must include the applicant's first and last name.** Loan documentation without the applicant's first and last name will not be reviewed.

In order to successfully complete the NURSE Corps LRP loan module, you will need to submit the following documentation:

Account Statements should contain:

- Current Balance (Principal and Interest)
- Current Interest Rate

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

Disbursement Report should contain:

- Type of Loan
- Original Loan Date
- Original Loan Amount
- Consolidation dates if applicable

For Federal loans, the Aid Summary Report on the National Student Loan Data System (NSLDS) website, <http://www.nsls.ed.gov> is considered a disbursement report.

For private loans, there are several types of documents that provide disbursement information:

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

You may also obtain disbursement information for private loans on your lender's website or you can call the lender. **All documentation must come from the lender.**

Please note: Perkins loans that are subject to cancellation are not eligible.

Submitting Your Loan Documentation

For **Individual Federal Loans** you must submit:

- The main or landing page of your Aid Summary Report from the NSLDS website **ONLY**. If you have multiple federal loans, **only one report is required for submission.**
- The most recent Account Statements for **each** loan showing the current interest rate and the current balance (call or visit your lender's website).

For **Consolidated Federal Loans** you must submit:

- An Aid Summary Report from the NSLDS website. **Only one report is required for submission, it must clearly show all loans in the consolidation.**
- The most recent account statement for **each** loan showing the current interest rate and the current balance for the consolidation loan (call or visit your lender's website).

For **Individual Private Loans** you must submit:

- A disbursement report(s) from the lender, showing the loan type, original loan amount and original loan date. You may need to submit more than one type of disbursement report per loan to meet the requirements.
- The most recent account statements for **each** loan showing the current interest rate and the current balance (call or visit your lender's website).

For **Consolidated Private Loans** you must submit:

- A disbursement report(s) clearly showing all the loans in the consolidation. Each loan must have its original loan amount and the original loan date indicated.
- The most recent account statement for **each** loan showing the current interest rate and the current balance for the consolidation loan (call or visit your lender's website).

For **Perkins Loans** you must submit:

- A disbursement report(s) from the lender, showing the loan type, original loan amount and original loan date. You may need to submit more than one type of disbursement report per loan to meet the requirements.
- The most recent account statements for **each** loan showing the current interest rate and the current balance (call or visit your lender's website).

AND

- Documentation from the school showing that the loans are not subject to cancellation under 34 CFR Part 674.

OR

- Documentation from the current lender indicating that the Perkins loans were consolidated and paid off.

NURSE Corps LRP will contact lenders/holders and check the applicant's credit report to determine repayment eligibility of submitted loans.

- c. **Authorization for Release of Employment Information Form.** This form must be completed by the applicant to authorize the release of information regarding the applicant's employment status to the NURSE Corps LRP. If the applicant is awarded a NURSE Corps LRP contract, his/her employment status will be verified semi-annually.
- d. **Authorization to Release Information Form.** This form authorizes HHS, and/or its contractors, to release information that identifies the applicant for purposes of obtaining educational loan information from lenders. It also authorizes any program to which the applicant owes a health professions service obligation to release information to HHS and/or its contractors.

- e. **Transcripts.** Applicants must submit transcript(s) from each college or university or school of nursing attended for all nursing education coursework directly related to the attainment of the nursing degree(s), if the applicant is seeking repayment for loans incurred while attending that institution. The transcript must state the name of the institution, dates of attendance, and courses taken. If a degree was obtained, the transcript must include the type of degree and the date it was conferred or the applicant must provide another appropriate document with this information (e.g., a copy of a diploma). Unofficial and official transcripts are acceptable.
- f. **Documentation that Perkins Loans are not Eligible for Cancellation (if applicable).** Applicants who have Perkins loans that are not eligible for cancellation must also provide documentation (1) from the school that the loans are not subject to cancellation under 34 CFR Part 674, or (2) from the current lender indicating that the Perkins loans were consolidated and paid off.

CHANGE IN STATUS DURING APPLICATION PROCESS

What if I change jobs?

Applicants may switch to a position at another eligible Critical Shortage Facility or accredited school of nursing up until 7:30 PM EST on February 28, 2013 and still be considered for a NURSE Corps LRP award. However, the employment information in the online application **must** match the information on the electronic Employment Verification. Therefore, if an applicant changes jobs and the online application is not updated or a completed electronic Employment Verification is not uploaded from the corresponding facility or school of nursing by 7:30 PM on February 28, 2013, the applicant will not be considered for an award.

May I withdraw my application?

The NURSE Corps LRP contract becomes effective on the date that it is countersigned by the Secretary or his/her designee. An applicant may withdraw his/her application at any time prior to the Secretary signing the contract and remain eligible to apply for NURSE Corps LRP in the future. Once the contract becomes effective, the applicant is obligated to provide two years of full-time service at the CSF or school of nursing identified in the application. If such applicant fails to commence service on the effective date of the contract, the applicant will be in breach of the contract, placed in default, and will be permanently disqualified from receiving future awards under the NURSE Corps LRP and some other Federal programs.

As soon as the applicant becomes aware that he/she will not be able to commence full-time service at the facility or school of nursing identified in the application, the applicant should immediately submit a request to withdraw the application through the BCRS Program Portal.

What if I want to consolidate my educational loans?

Loan consolidation/refinancing before the application deadline is acceptable, provided that the applicant submits Loan Documentation for the consolidated/refinanced loans before the application deadline of February 28, 2013. If the Loan Documentation is not received by the application deadline and the consolidated loan does not appear on the online application, the consolidated/refinanced loan will not be considered for loan repayment. If the applicant has consolidated otherwise qualifying educational loans with any other debt or with the loans of another individual, the entire consolidated loan is ineligible. Loans that are consolidated/refinanced after the application deadline and prior to the date an award is made will not be considered for loan repayment.

Additional Materials

RESOURCES FOR APPLICANTS

Need Help

Any individual with questions about the NURSE Corps LRP may contact the Call Center Monday through Friday (except Federal holidays), 9:00am to 5:30pm EST.

- GetHelp@hrsa.gov
- 1-800-221-9393
- TTY – 1-877-897-9910

DEFINITIONS

Base Annual Salary – The minimum annual compensation or the standard gross salary that an employee receives for doing a specific job, before taxes, health/dental insurance, retirement contributions, etc. are deducted (excludes overtime or shift differential pay).

Basic Registered Nurse (RN) Education – The nursing education that qualifies the individual to take the RN licensing examination (NCLEX-RN).

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

Continuation Contract – An optional 1-year extension of a 2-year NURSE Corps LRP contract.

Contract – A written contract pursuant to Section 846 of the Public Health Service Act, as amended, under which (1) the participant agrees to engage in a period of continuous full-time service as an RN at an eligible Critical Shortage Facility or as nurse faculty at an eligible accredited school of nursing and (2) the Secretary agrees to repay, in consideration of such service, a percentage of the amount which is outstanding on the participant's qualifying educational loans on the effective date of the initial 2-year contract.

Critical Shortage Facility (CSF) – A health care facility located in, designated as, or serving a primary medical care or mental health Health Professional Shortage Area (HPSA). A CSF must be located in a State, as defined below. See the Program Overview of this *Application and Program Guidance* for information on different types of health care facilities that may qualify as CSFs. NURSE Corps LRP participants must serve at a public or private nonprofit health care facility.

Default of payment obligation – Being more than 120 days past due on the payment of a financial obligation.

Default of service obligation – Failure to begin or complete a contractual service commitment.

Disadvantaged Background – An individual from a disadvantaged background is defined as someone who:

1. Comes from an environment that has inhibited the individual from obtaining the knowledge, skills, and abilities required to enroll in and graduate from a health professions or nursing school (**Environmentally Disadvantaged**). The following are provided as examples of “Environmentally Disadvantaged” for guidance only and are not intended to be all-inclusive.

Examples:

- The individual graduated from (or last attended) a high school with low SAT score based on most recent data available:
- The individual graduated from (or last attended) a high school from which, based on most recent data available:
 - low percentage of seniors receive a high school diploma; or
 - low percentage of graduates go to college during the first year after graduation.
- The individual graduated from (or last attended) a high school with low per capita funding.
- The individual graduated from (or last attended) a high school at which, based on most recent data available, many of the enrolled students are eligible for free or reduced price lunches.
- The individual comes from a family that receives public assistance (e.g., Aid to Families with Dependent Children, food stamps, Medicaid, public housing).
- First generation in family to attend college

– OR –

2. Comes from a family with an annual income below a level based on low-income thresholds according to family size established by the U.S. Census Bureau, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary of Health and Human Services (HHS) for adaptation to this program (**Economically Disadvantaged**). The Secretary defines a “low income family/household” for various health professions and nursing programs included in Titles III, VII and VIII of the Public Health Service Act as having an annual income that does not exceed 200 percent of the Department’s poverty guidelines. A family is a group of two or more individuals related by birth, marriage, or adoption who live together. A household may be only one person.

2012 HHS Poverty Guidelines			
Persons in Family	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$11,170	\$13,970	\$12,860
2	\$15,130	\$18,920	\$17,410
3	\$19,090	\$23,870	\$21,960
4	\$23,050	\$28,820	\$26,510
5	\$27,010	\$33,770	\$31,060
6	\$30,970	\$38,720	\$35,610
7	\$34,930	\$43,670	\$40,160
8	\$39,890	\$48,620	\$44,710
For each additional person, add	\$3,960	\$4,950	\$4,550

SOURCE: *Federal Register*, Vol. 77, No. 17, January 26, 2012, pp. 4034-4035

Existing Service Obligation – An obligation to work as an RN which is owed to and provided for under an agreement with a Federal, State, or local government or any other entity, (e.g., under the National

Health Service Corps Loan Repayment Program, the Nursing Scholarship Program, the State Loan Repayment Program, the Bureau of Health Professions Nurse Faculty Loan Program, the Faculty Loan Repayment Program, any State-sponsored loan repayment/forgiveness program, any employer-sponsored scholarship or recruitment/retention incentive programs, or Active Duty military obligation).

Eligible School of Nursing – An accredited public or private nonprofit school of nursing as defined below (applicable to nurses serving as nurse faculty).

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

Fiscal Year (FY) – The Federal FY is October 1 through September 30.

Full-Time Service – Working as an RN at a Critical Shortage Facility for a minimum of 32 hours per week, or working full-time (as defined by the employer) as a nurse faculty member for a minimum of 9 months at an accredited public or private nonprofit school of nursing. For RNs at a Critical Shortage Facility, no more than 35 workdays per service year may be spent away from the facility for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. For nurse faculty, no more than 35 workdays of the applicant’s scheduled work period (9 to 12 months) per service year may be spent away from the school of nursing for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. NURSE Corps LRP-approved absences totaling greater than 7 weeks in a service year require an extension of the contract end date.

Funding Preference – The funding of a specific category or group of approved applicants ahead of other categories or groups of approved applicants. See Program Overview in this *Guidance*.

Government Loans – Loans made by Federal, State, county or city agencies authorized by law to make such loans.

Greatest Financial Need – The greatest financial need funding preference is met by applicants whose total qualifying educational loans are 20 percent or greater than their base annual salary.

Health Professional Shortage Area (HPSA) - A HPSA is a geographic area, population group, public or nonprofit private medical facility or other public facility determined by the Secretary of the Department of Health and Human Services to have a shortage of primary health care professionals. HPSAs may be identified on the basis of agency or individual requests for designation. These HPSAs are designated by the Office of Shortage Designation, within HRSA’s Bureau of Clinician Recruitment and Service, pursuant to Section 332 of the PHS Act (Title 42, U.S. Code, Section 254e) and implementing regulations (Title 42, Code of Federal Regulations, Part 5).

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

National Practitioner Data Bank (NPDB) – A confidential, electronic repository of information related to the professional conduct and competence of physicians, nurses, dentists, and other health care practitioners. The NPDB collects information about malpractice payments paid on behalf of a health care provider and any adverse actions taken against a health care provider’s license, clinical privileges or professional memberships.

Nurse Faculty – A registered nurse (RN) working full-time (as defined by his or her employer) as a nurse faculty member at an eligible accredited public or private nonprofit school of nursing.

Nurse Licensure Compact – The mutual recognition model of nurse licensure that allows a nurse to have a license in one State and to practice in other States subject to each State's practice law and regulation. Under mutual recognition, an RN may practice in several States unless otherwise restricted.

NURSE Corps Loan Repayment Program (NURSE Corps LRP) – The NURSE Corps LRP is authorized by Section 846 of the Public Health Service Act, as amended. Under the NURSE Corps LRP, the U.S. Department of Health and Human Services provides financial assistance to qualified applicants to repay a portion of their qualifying educational loans, in exchange for their full-time service as an RN at an eligible Critical Shortage Facility or as nurse faculty at an eligible accredited school of nursing.

Qualified Applicant – A person who meets all of the eligibility requirements set forth in this *Application and Program Guidance*.

Qualifying Educational Loans – Government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses incurred (1) while attending a school of nursing where the applicant obtained his/her qualifying nursing education, and (2) while taking only nursing prerequisite courses at schools other than the school(s) of nursing where the applicant obtain his/her qualifying nursing education, provided that the applicant received academic credit for those courses from the school of nursing where the applicant obtained his/her qualifying nursing education. Participants will receive funds for repayment of qualifying educational loans that are still owed. If the applicant has consolidated otherwise qualifying educational loans with any other debt or consolidated his/her loans with loans of another individual, the consolidated loan is ineligible. See Program Overview in this *Guidance* for additional information on which loans qualify for the NURSE Corps LRP.

Qualifying Nursing Education – The completed undergraduate basic RN education and completed graduate nursing education (including post-master’s nursing certificate programs) resulting in a baccalaureate or associate degree in nursing (or an equivalent degree), a diploma in nursing or a graduate degree in nursing from an accredited school of nursing in a State.

Reasonable Educational Expenses – The costs for books, supplies, laboratory expenses, educational equipment and materials for qualifying nursing education which do not exceed the school’s estimated standard student budget for educational expenses for the participant’s degree program or nursing prerequisites courses and for the year(s) of that participant’s enrollment.

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

Registered Nurse – a nurse who has graduated from an accredited school of nursing, passed the NCLEX-RN, and is licensed to practice as a registered nurse or an advanced practice registered nurse in a State.

School of Nursing – An accredited collegiate, associate degree or diploma school of nursing in a State where graduates are: 1) authorized to sit for the NCLEX-RN or 2) licensed RNs who will receive a graduate or equivalent degree or training to become an advanced practice registered nurse. Collegiate and associate degree schools of nursing are a department, division, or other administrative unit in the educational institution which provides primarily or exclusively a program of education in professional nursing. A diploma school of nursing means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional 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 Secretary of the U.S. Department of Education.

State – As used in this *Guidance*, State includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, Territory of American Samoa, Territory of Guam, Republic of Palau, Republic of the Marshall Islands, and Federated States of Micronesia.

Unencumbered License – A license that is not revoked, suspended, or made probationary or conditional by the State licensing or registering authority as the result of disciplinary action.

**NURSE Corps Loan Repayment Program
Fiscal Year 2013
2-Year Contract for RNs Serving at a CSF**

**U.S. Department of Health and Human Services
Health Resources and Services Administration
Bureau of Clinician Recruitment and Service**

Under the NURSE Corps Loan Repayment Program (“NURSE Corps LRP”), section 846 of the Public Health Service Act (42 U.S.C. § 297n), as amended, the Secretary of Health and Human Services (“Secretary”) is authorized to provide registered nurses with partial repayment of their outstanding qualifying loans for nursing education. In return for these loan repayments, the nurses agree to engage in the full-time practice of their profession for 2 years at a health care facility with a critical shortage of nurses.

The terms and conditions of participating in the NURSE Corps LRP are set forth below:

1. The undersigned applicant (“Applicant”) agrees to serve full-time as a registered nurse for a period of two (2) consecutive years, beginning on the effective date of this Contract, at the public or private nonprofit health care facility identified by the Applicant in his or her NURSE Corps LRP Application, which facility the Secretary has determined has a critical shortage of nurses (i.e., a “Critical Shortage Facility” (CSF)). Full-time service is working as a registered nurse at a CSF for a minimum of 32 hours per week. No more than 35 workdays per service year can be spent away from the CSF for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. If the Applicant is unable to complete the service obligation at the initial service site identified in the application, the Applicant agrees to resume service within 60 days and complete the remaining service period at another CSF that has been approved by the Secretary as a transfer site for the Applicant.
2. The Applicant agrees to submit a semi-annual report, containing such information as the Secretary shall specify, regarding the Applicant’s compliance with the service obligation described in paragraph 1 of this Contract.
3. The Applicant agrees to inform the Secretary immediately of any change in mailing address, email address, employment location or any other change in the provision of nursing services set forth in paragraph 1 of this Contract.
4. Subject to the availability of funds:
 - a. For the first year of the two consecutive years of service, the Secretary agrees to pay, to and on behalf of the Applicant, an amount equal to 30 percent of the principal of, and interest on, the Applicant’s qualifying loans for nursing education which were unpaid on the effective date of this Contract.
 - b. For the second year of the two consecutive years of service, the Secretary agrees to pay, to and on behalf of the Applicant, an amount equal to 30 percent of the principal of, and interest on, the Applicant’s qualifying loans for nursing education which were unpaid on the effective date of this Contract.

5. The Applicant agrees to apply all NURSE Corps LRP payments received after Federal tax withholding to repay the Applicant’s qualifying loans for nursing education. No portion of the NURSE Corps LRP payments made directly to the Applicant shall be used to pay taxes due to Federal, State, or local authorities.
6. The Applicant and Secretary may modify this Contract by written mutual consent, prior to the expiration of this Contract, to extend the Applicant’s service obligation set forth in paragraph 1 of this Contract for a third consecutive year. In return for a third year of service, the Secretary would pay, subject to the availability of funds, an amount equal to 25 percent of the principal of, and interest on, the Applicant’s qualifying loans for nursing education which were unpaid on the effective date of this Contract.
7. If the Applicant fails to provide 2 years of service as set forth in paragraph 1 of this Contract, the applicant shall repay all NURSE Corps LRP payments made under paragraph 4 of this Contract (including the amounts withheld for Federal taxes), plus interest at the maximum legal prevailing rate from the date of the Applicant’s breach of that service obligation, as required under 42 U.S.C. § 297n(g)(1)(B).
8. The amount the Secretary is entitled to recover under paragraph 7 of this Contract must be repaid by the Applicant within not more than three (3) years of Applicant’s breach of the service obligation set forth in paragraph 1 of this Contract.
9. The Secretary may waive or suspend the Applicant’s service or payment obligation under this Contract if compliance by the Applicant (i) is impossible or (ii) would involve extreme hardship and enforcement of such obligation would be unconscionable.
10. Any payment or service obligation incurred by the Applicant under this Contract will be cancelled upon the Applicant’s death.
11. The Applicant agrees to comply with the requirements of the NURSE Corps LRP regulations at 42 C.F.R. Section 57.312.
12. The Applicant agrees to comply with the debarment and suspension regulations at Title 2, C.F.R., Part 180, Subpart C (2006), as supplemented by Subpart C of Title 2, C.F.R., Part 376 (2007).
13. The Applicant agrees to permit the Secretary to collect any debt owed by the Applicant as a result of an overpayment of NURSE Corps LRP payments, through the administrative offset of subsequent NURSE Corps LRP payments to the Applicant under this Contract or a Continuation Contract entered into pursuant to paragraph 6 of this Contract, until the debt is paid in full. An overpayment of NURSE Corps LRP payments may occur, for example, due to administrative error or when payments are made during any period when the Applicant is not providing full-time service at a CSF approved by the Secretary.

The Secretary or his or her authorized representative must sign this Contract before it becomes effective.

Applicant Name (please print): DO NOT COMPLETE. THIS IS ONLY A SAMPLE CONTRACT. YOU WILL BE PROVIDED WITH AN OFFICIAL CONTRACT TO SIGN, IF AN AWARD IS MADE.	
Applicant’s Signature: XX	Date: XXXXXXXXXXXXXXXXXXXX
Secretary of Health and Human Services or Designee: XX	Date: XXXXXXXXXXXXXXXXXXXX
HRSA-868 (Revised 01/2013)	

**Fiscal Year 2013
2-Year Contract for Nurse Faculty**

**Health Resources and Services Administration
Bureau of Clinician Recruitment and Service**

Under the NURSE Corps Loan Repayment Program ("NURSE Corps LRP"), section 846 of the Public Health Service Act (42 U.S.C. § 297n), as amended, the Secretary of Health and Human Services ("Secretary") is authorized to provide registered nurses with partial repayment of their outstanding qualifying loans for nursing education. In return for these loan repayments, the nurses agree to serve full-time as nurse faculty at an accredited school of nursing.

The terms and conditions of participating in the NURSE Corps LRP for Nurse Faculty are set forth below:

1. The undersigned applicant ("Applicant") agrees to serve full-time as a nurse faculty member for a period of two (2) consecutive years, beginning on the effective date of this Contract, at the public or private nonprofit accredited school of nursing identified by the Applicant in his or her NURSE Corps LRP application. Full-time service is working full-time (as defined by his or her employer) as a nurse faculty member for a minimum of 9 months per service year. No more than 35 workdays of the Applicant's scheduled work period (9 to 12 months) per service year can be spent away from the school of nursing for vacation, holidays, continuing education, illness, maternity/paternity/adoption, or any other reason. If the Applicant is unable to complete the service obligation at the initial school of nursing service site identified in the application, the Applicant agrees to resume service within 60 days and complete the remaining service period at another school of nursing that has been approved by the Secretary as a transfer site for the Applicant.
2. The Applicant agrees to submit a semi-annual report, containing such information as the Secretary shall specify, regarding the Applicant's compliance with the service obligation described in paragraph 1 of this Contract.
3. The Applicant agrees to inform the Secretary immediately of any change in mailing address, email address, employment location or any other change in employment status as full-time nurse faculty set forth in paragraph 1 of this Contract.
4. Subject to the availability of funds:
 - a. For the first year of the two consecutive years of service, the Secretary agrees to pay, to and on behalf of the Applicant, an amount equal to 30 percent of the principal of, and interest on, the Applicant's qualifying loans for nursing education which were unpaid on the effective date of this Contract.
 - b. For the second year of the two consecutive years of service, the Secretary agrees to pay, to and on behalf of the Applicant, an amount equal to 30 percent of the principal of, and interest on, the Applicant's qualifying loans for nursing education which were unpaid on the effective date of this Contract.

5. The Applicant agrees to apply all NURSE Corps LRP payments received after Federal tax withholding to repay the Applicant's qualifying loans for nursing education. No portion of the NURSE Corps LRP payments made directly to the Applicant shall be used to pay taxes due to Federal, State, or local authorities.
6. The Applicant and Secretary may modify this Contract by written mutual consent, prior to the expiration of this Contract, to extend the Applicant's service obligation set forth in paragraph 1 of this Contract for a third consecutive year. In return for a third year of service, the Secretary would pay, subject to the availability of funds, an amount equal to 25 percent of the principal of, and interest on, the Applicant's qualifying loans for nursing education which were unpaid on the effective date of this Contract.
7. If the Applicant fails to provide 2 years of service as set forth in paragraph 1 of this Contract, the Applicant shall repay all NURSE Corps LRP payments made under paragraph 4 of this Contract (including the amounts withheld for Federal taxes), plus interest at the maximum legal prevailing rate from the date of the Applicant's breach of that service obligation, as required under 42 U.S.C. § 297n(g)(1)(B).
8. The amount the Secretary is entitled to recover under paragraph 7 of this Contract must be repaid by the Applicant within not more than three (3) years of Applicant's breach of the service obligation set forth in paragraph 1 of this Contract.
9. The Secretary may waive or suspend the Applicant's service or payment obligation under this Contract if compliance by the Applicant (i) is impossible or (ii) would involve extreme hardship and enforcement of such obligation would be unconscionable.
10. Any payment or service obligation incurred by the Applicant under this Contract will be cancelled upon the Applicant's death.
11. The Applicant agrees to comply with the requirements of the NURSE Corps LRP regulations at 42 C.F.R. Section 57.312.
12. The Applicant agrees to comply with the debarment and suspension regulations at Title 2, C.F.R., Part 180, Subpart C (2006), as supplemented by Subpart C of Title 2, C.F.R., Part 376 (2007).
13. The Applicant agrees to permit the Secretary to collect any debt owed by the Applicant as a result of an overpayment of NURSE Corps LRP payments, through the administrative offset of subsequent NURSE Corps LRP payments to the Applicant under this Contract or a Continuation Contract entered into pursuant to paragraph 6 of this Contract, until the debt is paid in full. An overpayment of NURSE Corps LRP payments may occur, for example, due to administrative error or when payments are made during any period when the Applicant is not providing full-time service at a school of nursing approved by the Secretary.

The Secretary or his or her authorized representative must sign this Contract before it becomes effective.

Applicant Name (please print): DO NOT COMPLETE. THIS IS ONLY A SAMPLE CONTRACT. YOU WILL BE PROVIDED WITH AN OFFICIAL CONTRACT TO SIGN, IF AN AWARD IS MADE.	
Applicant's Signature: XX	Date: XXXXXXXXXXXXXXXXXXXX
Secretary of Health and Human Services or Designee: XX	Date: XXXXXXXXXXXXXXXXXXXX
HRSA-868 (Revised 01/2013)	